MONITORING COMPETITORS' PRICES AND DEVELOPING PRICE RECOMMENDATIONS

Case RUUKKI RUS Building season 2010

Olga Miroshnichenko

Bachelor's Thesis
May 2010

Degree Programme in International Business
School of Business Administration

JYVÄSKYLÄN AMMATTIKORKEAKOULU
JAMK UNIVERSITY OF APPLIED SCIENCES

JYVÄSKYLÄN AMMATTIKORKEAKOULU
JAMK UNIVERSITY OF APPLIED SCIENCES

DESCRIPTION

Author(s)	Type of publication	Date
MIROSHNICHENKO, Olga	Bachelor's Thesis	17052010
	Pages 67	Language English
	Confidential (x) Until 01.01.2011	Permission for web publication (X)

Title
MONITORING COMPETITORS' PRICES AND DEVELOPING PRICE RECOMMENDATIONS
Case Ruukki Rus Building season 2010

Degree Programme
Degree Programme in International Business

Tutor(s)
SAUKKONEN, Juha

Assigned by
Ruukki Rus

Abstract

Developing a pricing strategy is one of the most strategically important decisions that a company has to make to compete on the market successfully. It becomes an especially hot issue when a new building season is about to start. By reviewing and adjusting its pricing strategy Ruukki Rus will be able to become more profitable in upcoming building season.

The aim of this thesis is to find out the price level that will generate the highest profits. Another purpose of the research is to create competitors' database so that further monitoring processes could be based on it. Even before starting the research it was clear that its outcome was going to be valuable for the company.

In this research both primary and secondary sources of information were used. Sending the requirement specification to the competitors, receiving commercial offers from them and having interviews with industry experts were a part of primary data collection. Secondary data was used to gather information concerning competitors and market conditions.

Calculations of the recommended price brought me to the conclusion that Ruukki Rus has flexibility in deciding price position for upcoming building season as profits at different prices are rather significant. Besides, the research results showed that suggested price could be quite attractive to the customers.

Keywords
Pricing approaches, break-even point, Russian steel structure market

Miscellaneous
Confidential pages 33, 34, 66, 67

CONTENTS

Figures

Tables

1 INTRODUCTION

It is known that price and pricing strategy are one of the most significant factors, which influence the success and profitability of an organization (Holtz 1996, 17). According to Nagle and Hogan (2006, 14), when pricing is done correctly it becomes a force that drives an organization towards profitable growth and it helps achieving strategic business goals. Adapting to the changing conditions of the business environment means that some problems and decisions have to be seen from different perspective (Proctor 2005, 27). That is why it is extremely important to choose a right strategy and stick to it. It is essential to understand that it is not possible to set the right goals and find the right means of reaching them without a market overview. According to Proctor (2005, 47) there are several factors that make organizations more profitable, however, not all of them are associated with marketing research. Therefore, there might be some doubts whether to undertake the research study at all or not. At the same time the research provides the researcher with better, more up-to-date information, which can be used later on for better decisions. As this thesis is going to cover such sensitive business area as pricing, it is rather obvious that profitability factor is going to be the major factor in this research, as a result, there is definitely a need for marketing research.

This thesis is done for the company Ruukki Rus and its dealers Amicor and Andrometa. By looking at the current situation of the market and analyzing pricing trends in the sector, it will be possible to evaluate the position of Ruukki Rus on Russian market and propose pricing strategy which might be able to help to adjust existing strategy in order to meet the changes on the market.

First, the methodology of the research will be described, in order to clarify and explain all the decisions made during the research process. The sources of in-

formation will be covered as well. Furthermore, there will be a brief introduction of the company, including the brief overview of the market, where Ruukki Rus is operating in. At the same time, the results of the research will be presented and analyzed in chapter 5. However, chapter 7 is the most important part of this thesis, as the calculations and justified price recommendations for building season 2010 can be found there.

2 METHODOLOGY

2.1 RESEARCH QUESTIONS

The main purpose of this research is to find out the current pricing situation on the market, in order to develop recommendations for pricing strategy in building season 2010 for Ruukki Rus. Therefore, the main research question is: What could Ruukki Rus' pricing strategy be in building season 2010, taking into consideration the current price level on the market? In order to answer this question the additional, so called, sub-questions and tasks have to be defined. Table 1 presents the questions I have to answer and the tasks I have to accomplish in order to find the answers to the main research question.

TABLE 1. Research tasks and research questions

Task to do	**Question to answer**
Composing a database of competitors by myself, using different sources of information	Who are the competitors of Ruukki Rus on Russian market of steel structures?
Monitoring competitros' prices for one ton of column (Rubles per ton) and create competitors' pricing database	What are competitors' prices for one ton of column?
Proposing pricing recommendations based on the economic performance 2009 and pricing tendecies on the market	What is the ideal price for one ton of column for building season 2010, so that maximum profit can be achieved?

I would like to point out that this thesis is not covering the analysis of all gathered information. The only figure that will be discussed in this thesis is the price for one ton of columns. Narrowing down the research filed was an essential part of the research, because it is not possible to cover everything in one research. Price for one ton of columns was selected to be the main research area as it is a fundamental part of a steel structure building, and the price of overall project is very much dependent on the price of columns. A created database of competitors and a database of competitors' prices will be further used by specialists in appropriate departments in Ruukki Rus, Andrometa and Amicor.

2.2 RESEARCH TYPE

Before the research can be conducted, its type has to be defined, based on the understanding of the purpose of the research and available means of reaching the goal. Proctor (2005, 16) classifies the research into four types: primary and secondary, and qualitative and quantitative. In order to understand what type of the research is applicable for a given study, all four above-mentioned categories have to be defined.

According to Proctor (2005), primary research is the one, which is conducted to meet a specific need of the company. It can be carried out for a client company, as well as it can be conducted by the company itself. Secondary research refers to the research, which has already been carried out by somebody else and for another purposes. (p. 19.) In case of this study it is rather hard to clearly define, whether it is primary or secondary research, because there are elements of both research types. This thesis can be called a primary research, because a specific purpose was given to me, and I was collecting the information that has never been used before in any other research. However, at the same time, during the research process I was referring to the secondary researches, such as "The overview of Steel Structure Manufacturing in Russia, 2008" by Agenstvo Stroitelnoj Informacii (Agency of Building Information) in order to obtain some information concerning the market conditions on the Russian market of steel structures. Therefore, I came up with a conclusion that my thesis is going to be a mixture of primary and secondary research, however, there is more emphasis on the primary research, because all the research was made by me and it was meeting specific requirements of the company.

Settling down the question concerning the type of the research (qualitative or quantitative) was a problematic task to do. Quite a number of discussions about the methods and techniques of the research and their applicability are

taking place in the literature and online sources on research methods (Ghauri & Gronhaug 2002, 85). That is why it is rather hard to be one hundred percent sure what kind of research should be used in a given case. Ghauri and Gronhaug (2002) state that the main difference between qualitative and quantitative research is the way it is done, in other words the procedure. They also add that it is possible to quantify qualitative data, and the other way around. It means that qualitative and quantitative methods do not exclude each other, hence the combination of both methods can be used in the research. (pp. 85 - 86.)

Taking the above-mentioned fact into account, I figured out that my thesis matches the combination of both methods perfectly. First, I was working on composing the competitors' database and there were more than 100 companies in the list. At this stage of the research process I was still thinking that it might be a quantitative research. However, as this thesis' subject is competitors' pricing strategies, obviously Ruukki Rus is not interested in pricing strategies of small and insignificant competitors. That is when I realized that my research is going to be a qualitative one. I was sending the requirement specifications to the competitors in order to acquire specific information. The requirement specification was composed in a way so that companies will be able to answer all the questions, and hence, I would be able to collect the required information for the research. Gibbs (2007, 90) emphasizes that qualitative research is tightly linked to such terms as validity and reliability. The fact that the data was collected straight from the competitors proves that is it reliable and valid, because there were only two parties in communication, and there was no chance of getting false data.

In summary, a given research is combination of primary and secondary research and it is mainly qualitative research, with some features of quantitative research.

2.3 PLAN OF THE RESEARCH

Answering the main research question is not possible without finding the answers for additional research questions. Therefore, in order to ensure gradual and smooth flow of the research process, I will explain the plan of the research in this chapter.

The very first task that had to be done was looking for Ruukki Rus' competitors. I was searching for the companies, who were specializing in non-heavy steel structures. I was using the most popular and efficient search engines in Russia, such as Yandex and Rambler, in order to find out the most popular manufacturers of non-heavy steel structures. The key words used in the research are steel structures, non-heavy steel structures and warehouses. At the same time I was accessing specialized building data portals, where the companies can be found according to their field of specialization. When I was searching for the companies, I had more than one hundred companies in the list. However, I realized that not all the companies can be useful for my research and they might be not interesting enough for Ruukki Rus. At this point I contacted sales director of Ruukki Rus, in order to approve the final list of the competitors, that I was contacting later on by sending requirement specifications.

Then the competitors' database with contact information was created, after what the requirement specification was sent to the competitors. The next step of the research process was collecting and systematizing the received figures. After that, in order to simplify the process of monitoring the competitors' prices, the offers' details were listed in a way that it would be possible to see the lowest and the highest prices straight away. The last but not least, the development of the price recommendations took place. My calculations and assumptions were based both on theory and research findings, which made it

possible to propose a pricing strategy that is weighted from different perspectives.

2.4 COMPOSING REQUIREMENT SPECIFICATION

In order to collect the most objective information from the manufacturers of steel structures, it was decided to compose a single, well-defined requirement specification, which would help to clarify the tendencies on the market. The text of requirement specification and blueprints were created by the managers of Amicor, because, due to lack of knowledge and experience in this filed, I was not able to contribute in this particular process. However, I managed to get valuable experience during the process of negotiating and creating the conditions of the requirement specifications. The requirement specification and the blueprints were verified and approved by Igor Bespalov, a sales director of Amicor.

It is worth mentioning that Bespalov was interested in collecting as much information as possible. That is why the requirement specification did not include a single question, there was a number of questions that were requesting different parameters. Bespalov was specifically interested in the following information:

- price for one ton of column (this factor is considered to be the most significant, because column is a fundamental part of a metal frame)
- price for one ton of truss (another fundamental part of metal frame, however, this thesis is not going to cover this aspect..)
- transportation costs of the whole metal framework to the building area
- price for one square meter of wall frame filling
- terms and conditions of bank guarantee
- achieved production capacity of steel structures per month.

I would like emphasize that the main task was to develop pricing recommendations for one ton of column, no further and deeper analysis was needed from me. The collected information about specific products and services will be used by Ruukki Rus', Andrometa's and Amicor's management in future business operations.

As the preparation of an commercial offer takes time and it is rather complex task to do, it was decided to provide the producers with the blueprints and list of materials in order to get the exact information I was looking for and to avoid the inaccuracies and their corrections.

The main target of collecting the information was to become familiar with the price tendencies for a typical building. Blueprints were provided for a storage building with dimensions 156 x 96 x 14.5 m. In addition to this, the requirement specification also included a request for total price for relatively small garage with dimensions 18 x 42 x 6 m. The original and translated versions of the requirement specification can be found in Appendix 1 and Appendix 2 respectively.

In order to avoid mentioning Ruukki Rus in the process of collection the information and it's any interest in the results of the research, I was instructed to send the e-mails with the requirement specification from Amicor's corporate e-mail. The requirement specification was on the company's form and it was signed by Bespalov. At the same time, Amicor's e-mail was given as a contact e-mail, therefore all the commercial offers were addressed to it. However, all the commercial offers were forwarded to me for further analysis.

2.5 COLLECTING THE DATA/INFORMATION

All the data that can be used in the research is divided in two types: primary data source and secondary data source (Ghauri & Gronhaug 2002, 76). The most straightforward definitions of data types would be as following: primary data are an original data, which is collected by the researcher for a specific research problem; while secondary data are already existing information collected by third parties, and it is designed to solve other research problems (Ghauri & Gronhaug 2002, 76). In case of this research, primary data would be the information received with help of requirement specifications, in addition to the interviews with the experts, because all the information obtained from these sources was collected for the first time and for the need of the research. The secondary data sources were online building data portals, such as Spravochnik Stroitelj, Stroj Portal, Stroj Baza and Storj Plan, and a report called "The overview of Steel Structure Manufacturing in Russia (2008)".

It was not possible to use the report, due to the fact that it was not up-to-date and recent changes in market conditions were not reflected in it. Moreover, the thesis main target is to give pricing recommendations for building season 2010, and it is not possible to build any assumptions on out-of-date background information. That is why experts were playing a significant role in my thesis.

Collecting the information, in other words receiving and analyzing the commercial offers from the companies, turned out to be a more complex and problematic task to do than I thought it would be in the beginning. I faced a number of challenges during this research process, which I would like to describe in more details. The samples of commercial offers can be found in Appendix 3.

I would like to remind there was a time limit for an commercial offer response – one week. Out of 52 companies constantly operating on the market and chosen based on their presence on the market, only 3 companies managed to meet the above-mentioned deadline. Their commercial offers were containing the comprehensive answers to all the questions from the requirement specification; therefore it was possible to use the data from them straight away. The rest 49 companies demonstrated following negative tendencies:

- the commercial offers were received up to 3 weeks later than it was asked in the requirement specification
- some companies just forgot to consider the requirement specification
- some questions from the requirement specification were left out from the commercial offer
- there also was a tendency of both logic and arithmetical errors
- in some cases the information given was contradictory and mutually exclusive

Quite significant number of companies (10-15 organizations) has demonstrated very weak ability of their managers to hold professional communication by the phone. They were not totally aware of products, services and offering conditions that the company, they are working at, is providing.

There also was a tendency of companies trying to change the conditions of the requirement specification. Therefore the figures, they were giving, were not accurate enough. In some cases companies refused to provide commercial data, such as achieved volumes of production.

I would like to notice that all the companies were sending commercial offers based on their own company's forms and regulations. Therefore, all the commercial offers that I received were different and a way of arranging the data had to be developed. I decided to create a simple table, where all the figures

from a competitor would be written down. This way it was possible to see what information is missing and the process of filling in the summary table became more simplified. The examples of this table can be found in Appendix 3.

Because of above-mentioned reasons, some cells in a table are not filled in. I was expecting this to happen, however, the experts and me were rather surprised to see that companies are not willing to use an opportunity to make sales. As a result, the total time spent on receiving the commercial offers from the companies was more than I expected it to be. Instead of one week it took me around 4 weeks to collect the information.

2.6 SOURCES OF INFORMATION

The biggest challenge of this research was the unavailability of reliable sources of information. There is a couple of reasons for this. First, steel structure market is a very specific market area, where open sources of information are rather limited. The problem is that it is nearly impossible to find valuable and reliable information, such as reports, market overviews and so on, online. However, the online database systems are quite effective. I was accessing online building data portals to find the companies that specialize in producing steel structures. Such online portals as Spravochnik Stroitelj and Stroj Portal are quite reliable, so there were no problems with finding basically all the companies that are operating in steel structure sector.

In order to be able to calculate the break-even point of the company, specific financial data had to be requested. This kind of information can only be obtained from the company itself. That is why I had an interview with Sergey Chernyshev, the CEO of Ruukki Rus, where almost all the required informa-

tion was obtained. The summarized interview can be found in Appendix 7 and its impact on the calculations can be seen in chapter 7.

One of the most significant sources of information was the report called "The overview of steel structure manufacturing in Russia", which was completed by Agentstvo Stroitelnoj Informacii (the Agency of Building Information) in 2008. It was necessary to access this source of information, because the reliable data, concerning volumes of manufacturing steel structures and other figures had to be collected. I would like to draw attention to the fact, that some figures were taken from the report straight away, however, some figures were provided by the experts.

Another source of information was the interviews with the experts. I have to admit that I was referring to the experts quite often during the research process, because they were able to provide me with accurate and reliable information. There were four experts who were assisting me at different stages of my research. If a specific name of the expert is not written, it means that I was collecting the information from all of them, and in the text they will be mentioned as "experts". Now the roles of all four expert will be explained.

Sergej Chernyshev, the CEO of Ruukki Rus, was the one, who assigned the research area. In addition to it, he was the one who was giving the information concerning the performance of Ruukki Rus in 2009 and other economical characteristics. I was contacting *Leonid Lazutkin*, the sales director of Ruukki Rus, a lot when I was composing competitors' database. In the beginning there was more than one hundred manufacturers of steel structures in my database, however, the list was not approved by Leonid till there were only those competitors, who Ruukki Rus were extremely interested in. After the final approval there were 52 companies in the competitors' database that I created, who received requirement specifications. *Igor Bespalov*, the sales director of

Amicor, was very helpful with creating the requirement specification and collecting missing or not full information form the steel structure manufacturers. Due to his background, *Abram Akopyan*, the former technical director of Ventall and currently the technical director of Andromeda, explained what were the conditions of the acquisition of Ventall by Ruukki. Moreover, I also was in touch with him when the decisions concerning the main research price (i.e. price for one ton of columns) had to be made. All four experts were actively participating in the interviews by phone, Skype and in person. All of them expressed their opinions and estimated the demand for building season 2010, which helped me to develop the pricing recommendations.

3 RUUKKI IN A NUTSHELL

A brief introduction to the company and its operations has to take place, otherwise there will be no complete picture of the research and its problem. Practically all the information in this chapter was accessed on the official web page of Ruukki Rus. However, the interview with Abram Akopyan shed more light on the process of Ruukki acquiring Ventall in 2006.

3.1 RUUKKI: BRIEF OVERVIEW

Ruukki is a supplier of metal-based components, systems and integrated systems to construction and engineering industry in Europe. The company is offering a wide range of metal products and services. Ruukki is represented in 27 countries and there are about 11 700 employees working for the company all over the world. Ruukki's operations are divided into three business areas

- Ruukki Construction: efficient, time-saving steel construction solutions for commercial and industrial construction, as well as for infrastructure foundation and transport infrastructure projects.
- Ruukki Engineering: fully-assembled systems and components to the engineering industry.
- Ruukki Metals: steel products and associated prefabrication, logistics and storage services. Responsible for the company's steel production and steel service centers.

In 2009 the net sales were 2 billion euro. It is important to notice, that Ruukki Metals has 54% (1.050 million euro) of net sales; Ruukki Construction – 30% (589 million euro); and the share of net sales of Ruukki Engineering is 16% (312 million euro). Ruukki is a marketing name of Rautaruukki, whose shares are quoted on NASDAQ OMX Helsinki (Rautaruukki Oyj: RTRKS).

3.2 RUUKKI: MARKETS

Ruukki's primary market is Europe, where Nordic countries tend to be the main consumers of company's production. However, Central Eastern Europe, Russia and Ukraine are seen as growing potential markets in a long-term. Figure 1 shows that Central Eastern Europe, Ukraine and Russia brought almost 20% percent of the net sales in 2009, which proves the fact that these market might be even more potential in the future.

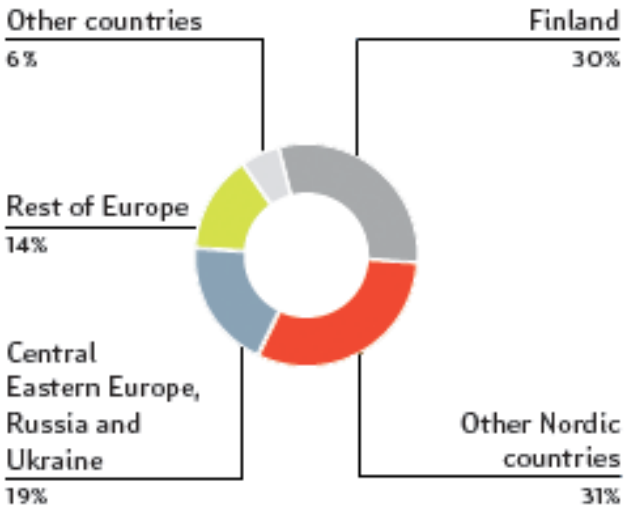

FIGURE 1. Ruukki's net sales by countries in 2009 (Sources: Ruukki's official web-page)

As this thesis is going to cover a very specific business area – Ruukki Construction in Russia – it is worth taking a look at the breakdown of net sales by countries in 2009 in this area.

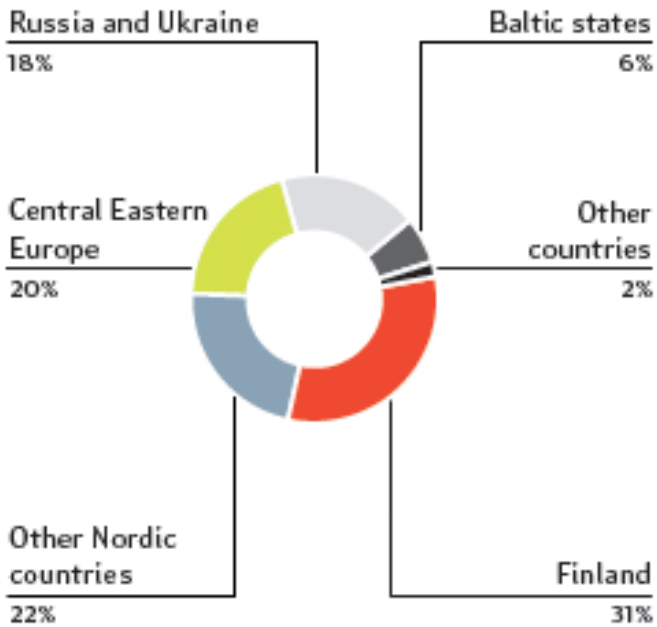

FIGURE 2. Ruukki Construction's breakdown of net sales by countries in 2009 (Sources: Ruukki's official web-page)

It is seen that Russia and Ukraine are making up quite significant percentage of profits, so let's take a closer look at Ruukki's operations in Russia.

3.3 RUUKKI: RUSSIA

Currently there are 17 locations of Ruukki's sales offices, component and system productions, metal processing and stocks in different parts of Russia. According to the official Ruukki's web-page, total number of employees working for Ruukki Rus is 1873.

Abram Akopyan (2010), former technical director of Ventall, briefly explained how the penetration of Russian market was handled:

> "In 2006 Ruukki Rus acquired one of the major producers of steel structures in Russia – a company called Ventall. Ventall possessed two manufacturing plants in Kaluga region (central part of Russia): in Balabanovo and Obninsk. In those factories the most modern high-performance equipment for metal working and metal welding can be found. By acquiring Ventall, Ruukki did not only acquire modern equipment and cutting-edge technologies. It also got an access to the design department, where there are 60 engineers working on the most complex projects. Total volume of produced MC in two factories over a month is 5,800 tones, which does not include slender zinc-coated sections, shaped sheets, metal tiles and façade constructions."

Currently being a technical director of Andrometa, an official Ruukki's dealer, Abram Akopyan also defined the main products of Ruukki Rus:

> "At present, Ruukki Rus is the leader of constructive steel structure market in Russia. The key products are as following: constructive steel structures (which is the topic of the thesis and the research), galvanized

light gauge steel structures, sandwich-panels with mineral wool for walling and roofing, facade systems, steel tiles and modular buildings."

4 STEEL STRUCTURE MARKET IN RUSSIA

4.1 KEY MANUFACTURERS OF STEEL STRUCTURES

Currently there are 110-130 companies in Russia, defined by experts, which can be treated as manufacturers of steel structures. Those companies are different, and the following characteristics are defining the differences:

- *Geographical location* – taking into consideration the fact that territory of Russian Federation is about 17 million square meters. Hence, it becomes rather obvious that location of the company is a significant issue
- *Geographical market segmentation* - some companies are selling their products only in the federal districts, where they are located; in other cases, companies are trying to operate in several or even all federal districts
- *The production share of steel structures in relation with overall production* – some companies are producing only steel structures and components (such as panels, facade components, gates and windows); the other companies are specializing in producing both steel structures and other metal products, such as bridges, tangent towers, tanks and reservoirs, reinforced concrete frames and structures, machine-building metal products
- *The time when the company was founded* – those companies that were founded in 1960-1980s have the most significant market share
- *The degree of factory product's readiness for the end user* – there are some companies which produce metal frames only, while there are other companies, which provide the whole range of services, including fully

factory assembled components (frames, roofing, walls), and in some cases assemble of those components.

In the very beginning of this research process more than 100 companies, producing steel structures were examined. However, only 52 companies were chosen for further research. In Table 2 the sample database of main steel structure manufacturing companies is presented. In this table there are both new companies (ones that were established 10-15 years ago) and those, which were founded in 1960s. Currently, exactly these companies are setting the rules on the steel structure market. These nineteen companies are in the table because Agentstvo Stroitelnoj Informacii defined these companies as the ones that have 2 - 5% of market share on the market in 2008. As the market conditions have changed over two years, there is no exact information of companies' market shares right now. That is why these nineteen companies were agreed by Lazutkin and Chernyshev to be the main ones in this research.

TABLE 2. Sample database of competitors and their contact information

	Company name	Location	E-mail
1	OOO Ruukki Rus	Kaluga region	sales-rus@ruukki.com
2	Energomash Group	Moscow region	zmk@energomash.ru
3	ZAO Cheljabenskij zavod metallokonstrukcij	Cheljabinsk region	office@metcon.ru
4	OOO Nizhnetaginskij ZMK	Sverdlov region	mail@ntzmk.ru
5	Kulebakskij zavod metallicheskih konstrukcij (Sojuzlegkonstrukcija)	Nichegorodskij region	info@slk.ru
6	OAO Novokuzneckij zavod rezervuarnyh metallokonstrukcij	Kemerovo region	sm@nzrmk.kemerovo.su
7	OAO Uralskij trubnyj zavod	Sverdlov region	market@trubprom.com
8	OOO Kuzneckie metallokonstrukcii	Kemerovo region	km@km-group.ru
9	ZAO Zavod modulnyh konstrukcij Magnum	Sverdlov region	magnum@mail.utk.ru
10	OAO Juzhnouralskij zavod metallokonstrukcij	Cheljabinsk region	zmk@konstrukt-ural.ru
11	OAO Kireevskij zavod legkih metallokonstrukcij	Tula region	info@kzlmk.ru, kzlmk@mail.
12	OAO 149 mehanicheskij zavod	Moscow region	sale@149.ru
13	OOO Astron Buildings LLC	Moscow region	info.ru@astron.biz
14	Stalkonstrukcija	Leningrad region	office@skspb.ru
15	OAO OZMK	Orenburg region	info@ozmk.ru
16	ZAO Samarskij zavod Jelektrowit	Samara region	dpsk@electroshield.ru mdr2002@mail.ru
17	ZAO Vyksunskij zavod legkih metallokonstrukcij	Nizhnij Novgorod region	vzlmk-nnov@yandex.ru
18	Molodencheskij zavod metallokonstrukcij	Minsk region	Mldzmk@mail.belpak.by
19	INSI Group	Moscow region	moscow@insi.ru fedorov@insi.ru

4.2 MAIN PRODUCTS ON THE MARKET

There are different products and services available on the market, and the variety of purposes of those constructions is rather wide. However, the experts are defining several types of steel structures, depending on how they are used:

- Non- heavy steel structures
- Heavy steel structures
- Structured masts, TV- and radio towers, tangent towers
- Bridge structures
- Galvanized light gauge steel structures.

The fact that Ruukki Rus is operating in the segment of non-heavy and heavy steel building structures in Russia, the research will be covering only non-heavy steel structures segment.

As it was mentioned earlier, the range of industries and sectors, where steel structures can be used, is rather wide. However, there are certain tendencies that can be drawn from different sources of information. Abram Akopyan summarized the main application areas of steel structures in interview:

- Industrial buildings – 48%
- Storage buildings – 11%
- Commercial buildings (such as retail offices, schools and hospitals) – 16.9%
- Residential buildings – 6.4%
- Agricultural buildings – 7.5%
- Other buildings, such as sport and recreation buildings – 10.2%.

4.3 PRODUCTION VOLUMES ON RUSSIAN MARKET

For the last couple of years, including 2008, the growth of steel structure production in Russia was rather sustainable. According to Agenstvo Stroitelnoj Informacii (2008), on the average the annual growth was 18-23%. Figure 3 is providing more specific information for each year. I would like to draw attention to the fact that figures for year 2009 and 2010 were provided by the expert, because there are no up-to-date reports available in this year yet. In Figure 3 it is seen that the estimated production volumes of steel structures are going to increase in 2010. This brings us to the conclusion that there might be a possibility of reaching the estimated demands.

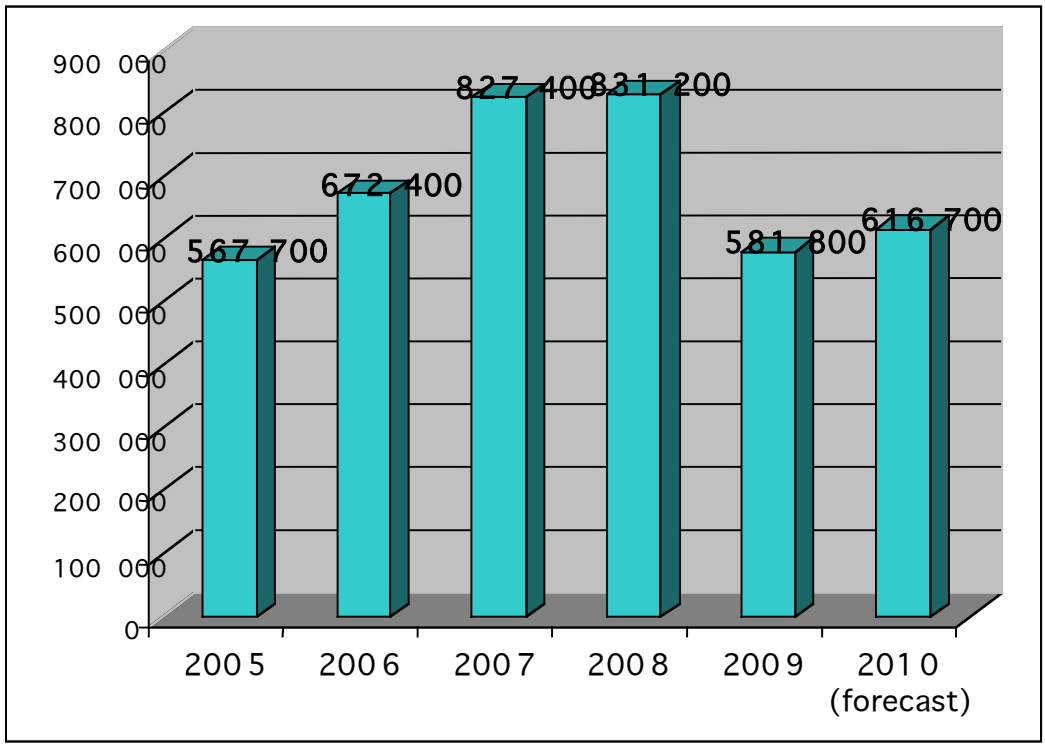

FIGURE 3. Volume of steel structure production over 5 years, including the forecast from the experts (Sources: Agenstvo Stroitelnoj Informacii, 2008; Interviews with experts, 2010)

5 RESEARCH RESULTS

In this chapter the results of the research are presented. As it was mentioned earlier in the methodological chapter, the main area of interest was the price for one ton of column. Table 3 presents the information that was gathered from steel structure manufacturers. The main manufacturers of steel structures on Russian market are marketed with green color. According to the report "The overview of steel structure manufacturing in Russia, 2008" and experts' opinions, these companies approximately have 2 - 5% of market share on Russian market. In order to make the research results more scalable for a reader, the list is sorted in a way that the lowest prices are shown first and the highest one are in the bottom of the list. The prices are also shown in Euros so that it will be possible to scale and compare price levels.

TABLE 3. Competitors' prices for one ton of columns sorted by the lowest price first (including the proposed price for Ruukki Rus)

	Company name	Column price (Rubles/ton)	Column price (Euros/ton)
1	Korablinskij zavod modulnyh konstrukcij Zental	36,441	911
2	Ramenskij zavod metallokonstrukcij	36,502	913
3	Ivanovskij zavod metallokonstrukcij	37,288	932
4	Molodechnenskij zavod metallokonstrukcij	37,830	946
5	IZOBUD	38,136	953
6	ZAO Samarskij zavod Elektroshit	38,136	953
7	OOO Mendeleevskij Zavod Metallicheskih Konstrukcij	38,931	973
8	OAO Juzhnouralskij zavod metallokonstrukcij	39,576	989
9	KVANT	39,831	996
10	OAO Kireevskij zavod legkih metallokonstrukcij	40,085	1,002
11	Aprelevskij eksperimentalnyj zavod	40,254	1,006
12	OOO SVS-Tehnika	40,678	1,017
13	OOO Novinskij Zavod Metallokonstrukcij	40,678	1,017
14	OOO Zelenaja Kaska	41,102	1,028
15	ZAO Uraltrubprom	41,525	1,038
16	Specatomkontakt	42,979	1,074
17	OOO Kuzneckie metallokonstrukcii	43,403	1,085
18	OOO Metallresurs	43,407	1,085
19	OOO Nizhetagilskij ZMK	43,441	1,086
20	Volzhskij zavod metallokonstrukcij (Roskonstrukcija)	44,280	1,107
21	OOO ZMK Tehlajn	44,915	1,123
22	OOO Energostalkonstrukcija	44,915	1,123
23	**OOO Ruukki Rus**	**45,000**	**1,125**
24	Stalnye i Monolitnye Konstrukcii - A (SiMK-A)	45,085	1,127
25	ZMK Dimar	45,763	1,144
26	Stalkonstrukcija	46,258	1,156
27	OAO Novokuzneckij zavod rezervuarnyh metallokon-strukcij	46,695	1,167
28	Shodninskij zavod metallokonstrukcij (Strojpromet)	47,358	1,184
29	ZAO Cheljabinskij zavod metallokonstrukcij	48,390	1,210
30	OAO OZMK	48,705	1,218
31	ZAO Zavod modulnyh konstrukcij Magnum	48,712	1,218
32	Kulebakskij zavod metallicheskih konstrukcij (So-juzlegkonstrukcija)	49,153	1,229
33	OAO Vostochno-Sibirskij zavod metallokonstrukcij	49,153	1,229
34	Zavod Stalnaja Linija	49,331	1,233
35	Energomash Group	49,576	1,239
36	OAO 149 Mehanicheskij zavod	51,695	1,292

Ruukki Rus is occupying the 23rd position in this list, and I would like to point out that 45,000 Rubles per ton is the recommended price for building season 2010, which was calculated within the research process. The more detailed information concerning price calculations can be found in chapter 7, and some analysis of Table 3 are in chapter 8.

6 PRICING STRATEGIES

Before moving to the analyzing the results and proposing the recommendations concerning pricing strategy, it is worth taking a look at some important marketing issues. There are both internal and external factors that influence a company's pricing decisions and strategies (Kotler, Wong, Saunders & Armstrong 2005, 665). According to Kotler et al. (2005), first of all setting, defining or redefining the marketing objectives of the company has to be done. Second, an organization has to evaluate the costs. Two above-mentioned factors represent the internal affecting forces. However, the external factors are playing crucial role as well. That is why it is very important to distinguish different markets and understand how it influences the pricing strategy. (pp. 665 - 680.) Both internal and external factors will be discussed in this chapter, and the main pricing approaches will be discussed as well.

6.1 INTERNAL FACTORS

6.1.1 MARKETING OBJECTIVES

When an organization defines the pricing strategy, the motives and goals differ depending on industries, types of the company and its operations. However, Kotler et al. (2005) define main goals, that different organizations tend to have:

Market-share maximization
In order to acquire the highest market share, traditionally lower prices for products and services are set. It is assumed that the correlation between costs and market share is following: higher the market share, the lower the costs are. As a result, the profit becomes higher in a long run.

Survival
Taking into account the fact that Russian building industry (as well as pretty much all other industries in Russia) is still suffering from the crisis and its consequences, it is worth considering this option. In order to survive and maintain certain business level, the common practice is to decrease prices so that the sales volumes increase. When a company is considering a survival strategy the profits become less important issue than survival.

Current profit maximization
With this option a company is the one who forecasts the demand, evaluates the costs and chooses the price, so that the current profit would be maximum. (pp. 666 - 668.)

All the above-mentioned goals were discussed with the CEO of Ruuki Rus and it was decided to concentrate on the current profit maximization strategy.

The reason why market share maximization as a goal was not a good option is the fact that Russian economy is different after the crisis. Therefore, the realistic goals should be set. Taking into account the fact that Ruukki Rus is still performing good even in unfavorable economic conditions, does not give us any good reasons to talk about the survival strategy of the company. As a result, after presenting the possible marketing objectives to the CEO of Ruukki Rus, I was assigned to explore the pricing strategy that would help to maximize current profit.

6.1.2 COSTS

As it is known there are three types of costs - variable, fixed and total. Kotler et al. (2005) defines these costs as following:

- variable costs are the costs that vary directly with the level of production
- fixed costs do not vary with the production or sales level
- total costs are the sum of the fixed and variable costs at any level of production. (pp. 670 - 672.)

While the internal factors, i.e. marketing objectives and costs, are defining the lowest limit of the product's price, while the external factors, such as market and demand, are setting the highest level of the price (Kotler et al. 2005, 670). Companies are trying to set the ideal price that will allow them to cover all the costs for producing, distribution and selling. It is also important to notice that a lot of companies are aiming to set the lowest prices in order to get greater sales and profits in a long run. However, all the factors that influence the pricing have to be critically evaluated and the most appropriate has to be chosen.

6.2 EXTERNAL FACTORS

6.2.1 PRICING IN DIFFERENT MARKETS

As market types have a certain influence on the ways of pricing the products, it is worth taking a look at different types of markets. There are four types of market, which are defined by Kotler et al. (2005, 673):

- pure competition
- monopolistic competition
- oligopolistic competition
- pure monopoly.

Without going into too much details it is possible to conclude that steel structure market in Russia is an example of monopolistic competition. There are a lot of sellers and buyers on the market. The sellers are the ones who set and change the prices for the products, while the buyers are willing to pay for different products' characteristics.

In a monopolistic competition market the sellers are trying to serve different customers' segments (Kotler et al. 2005, 673). It is important to notice that pricing strategy is only a part of a marketing mix, because a lot of attention is paid towards advertising, promoting of the product, in addition to the personal spellings. It means that in order to set the prices for building season 2010, Ruukki Rus has to take into account both costs, planned profit, demand, competitor's prices and competitors' means of promoting the products.

6.3 PRICING APPROACHES

There are several pricing approaches, however, it is essential to understand that they all differ and some industries would not be effective in some indus-

tries and would not be applicable for some products. The main three approaches will be discussed below.

Break-even pricing

This pricing approach is also known as target profit pricing and it is rather popular among the companies for the following reasons:

- the manufacturers are totally aware of what the costs of producing the product are, unlike the demand. The demand is not easy to foreseen, therefore it becomes much harder to set the prices, basing on the demand
- when the majority of manufacturing enterprises is using this pricing method, pricing competition is decreasing, becoming almost minimum. The fact that companies set the price basing on the internal factors of an organization rather than on the external ones makes market price more reasonable
- at the same time a lot of experts are tending to think that this pricing approach is more correct and fair in respect of both buyers and sellers. (Kotler et al. 2005, 682 - 683.)

Value-based pricing

Value-based pricing differs from break-even pricing. The major difference is the fact that price is set according to the customers' perception of value that the product/service brings, the costs are not taken into account (Kotler et al. 2005, 683 - 685). This pricing strategy is not suitable for the steel structure industry, because the costs are rather high and companies cannot afford to ignore them.

Competition-based pricing

This type of pricing approach is based on the analysis of competitors' pricing strategies. The costs and demand are not crucial factors in the decision making process. (Kotler et al. 2005, 685.)

As it can be seen, the above-mentioned approaches are not prefect, because they tend to cover only certain factors in setting the price. Thereby, the pricing strategy can turn out to be non effective. Taking into consideration the costs and current prices on the market, the pricing strategy becomes more sufficient. That is why I decided to combine break-even and competition-based pricing approaches, while developing price recommendations for building season 2010.

7 PRICING STRATEGY RECOMMENDATIONS

In order to define the most appropriate price strategy for steel structures I choose the combination of break-even and competition pricing approaches. This approach is characterized by the principle of analyzing the break-even point of the company at different price levels (Kotler et al. 2005, 682). However, it is not possible to make the calculations without settling down the issues concerning price definition and demand estimations.

First, the lowest and the highest price for a ton of steel structures had to be defined. According to the results of monitoring competitors' prices, the lowest price was 36,441 Rubles per ton, while the highest price charged for the same product was 51,695 Rubles per ton. Taking into account the fact that Ruukki Rus' price for one ton of columns was 48,500 Rubles per ton in 2009, it is possible to conclude that price for 2010 has to be decreased. However, at the same time it is rather obvious that decreasing the price dramatically is not an option. That is why I chose the most realistic price range, i.e. 42,500 - 50,000 Rubles per ton. The price pitch is 2,500 Rubles per ton, e.g. 42,500; 45,000; 47,500 and 50,000 Rubles per ton. I would like to point out that this would be the

most appropriate price range due to the fact that all major steel structure manufacturers have roughly the same price strategy.

Then the forecasts of the demand have to be defined. Estimating the market demand is one of the most challenging and hard tasks to do. It is rather tough to make correct estimations in the stable economy conditions; in case of current post-crisis economy conditions, this task becomes nearly impossible to do. The fact that I am a student and do not have enough expertise in this field, my estimations cannot be somewhat accurate. That is why I turned to experts and interviewed them in order to get the competent information concerning the upcoming building season and its tendencies. I found it necessary to ask for their opinions and estimations as they know the industry and the company well enough, especially its technical side of production and the means of promotion. It is also worth mentioning that all the experts are respectful and well-known businessmen with good reputation among the competitors. The findings from the interviews can be found in the Table 4.

TABLE 4. Estimated demand forecasts for building season 2010 from the experts, calculated average demand and chosen demand for the calculations

Price Rubles/ton	Estimated demand (tons/month)					
	Sergej Chernyshev	Leonid Lazutkin	Abram Akopyan	Igor Bespalov	*Average Demand*	***Chosen Demand***
42 500	4 360	4 750	4 600	4 400	*4 528*	***4 500***
45 000	3 450	3 600	3 470	3 520	*3 510*	***3 500***
47 500	2 600	2 780	2 900	2 800	*2 770*	***2 750***
50 000	2 150	2 200	2 300	2 400	*2 263*	***2 250***

As it can be seen, the estimations and forecasts from the experts do not vary too much. However, it was not possible to use all the suggested demand forecasts for the calculation of the break- even point. That is why I calculated the average demand and altered the results for convenience of further calculations to the nearest whole number.

7.1 CALCULATING BREAK-EVEN POINT

As all the necessary information has been obtained (see Appendix 7), the calculations of the break-even point can be made. The principles I used in calculating the break-even point, total revenues, total costs and profit were based on the following formulas (Kotler et al. 2005, 682-683):

$$\text{Break - Even Point} = \frac{\text{Fixed Cost}}{\text{Price - Variable Cost}}$$

$$\text{Total revenues} = \text{Price} \times \text{Estimated demand}$$

$$\text{Total costs} = \text{Variable costs} \times \text{Estimated demand} + \text{Fixed costs}$$

$$\text{Profit} = \text{Total revenues} - \text{Total costs}$$

As it is mentioned in the Appendix 7 steel structures are taking a half of the whole production figure. Therefore, the fixed costs for steel structures are calculated by dividing 68 000 000 Rubles per month by 2. As a result, the fixed costs for steel structures are 34 000 000 Rubles per month. The variable costs, that equal 34 615 Rubles per ton, can be found in the Appendix 7.

Here is a sample calculation of the break-even point, total revenues, total costs and profit for the price of 42 500 Rubles per ton:

- Break-even point = 34 000 000 / (42 500 - 34 615) = 4 312
- Total revenues = 42 500 x 4 500 = 191 250 000
- Total costs = 34 615 x 4 500 + 34 000 000 = 189 767 500
- Profit = 191 250 000 - 189 767 500 = 1 482 500

The same calculations were made for other given prices, i.e. 45 000 Rubles per ton, 47 500 Rubles per ton and 50 000 Rubles per ton. All the calculation results are provided in the Table 5.

7.2 PRICE RECOMMENDATIONS

In the Table 5 and Figure 4 it is seen that the most profitable price strategy is the one that is based on the average weighted price, i.e. 45 000 Rubles per ton. Therefore, I came to the conclusion that this would the ideal price for building season 2010. With this price strategy Ruukki Rus is occupying the 23rd position in the Table 3 and the offering price looks more attractive to the customers in comparison with such market leaders as Stalkonstrukcija, Novokuzneckij zavod metallokonstrukcij, Zavod modulnyh konstrukcij Magnum, Kulebakskij zavod metallicheskih konstrukcij and Energomash Group.

TABLE 5. Break-even volumes and profits at different prices

Price Rubles / ton	BEP tons / month	Estimated demand tons / month	Total revenues Rubles / month	Total costs Rubles / month	Profit Rubles
42 500	4 312	4 500	191 250 000	189 767 500	+1 482 500
45 000	3 274	3 500	157 500 000	155 152 500	+ 2 347 500
47 500	2 699	2 750	130 625 000	129 191 250	+ 1 433 750
50 000	2 210	2 250	112 500 000	111 883 750	+ 616 250

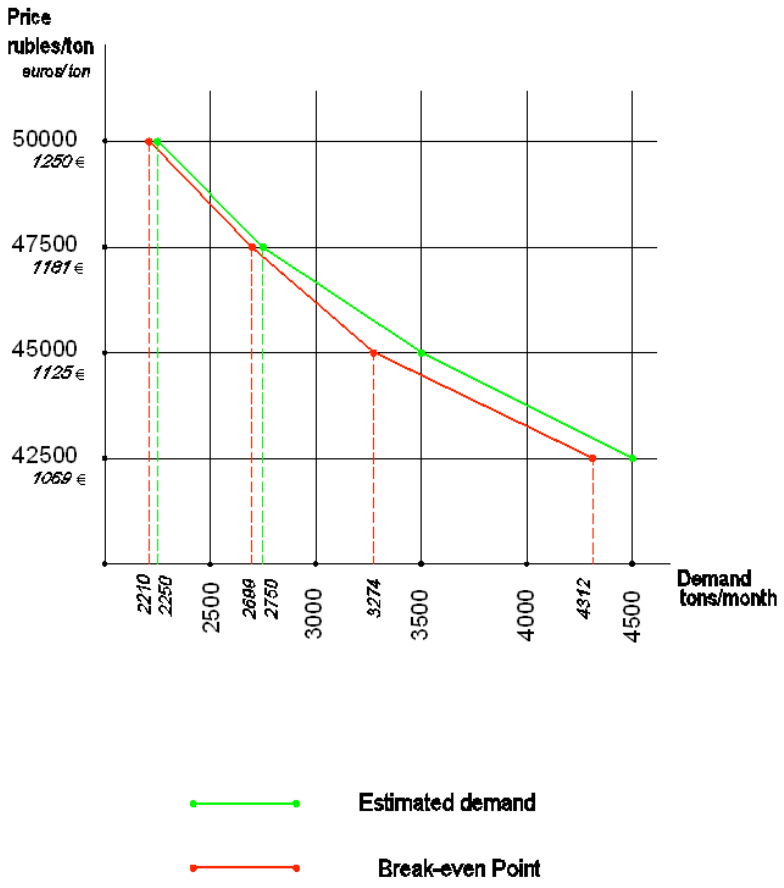

FIGURE 4. Break-even point and estimated demand chart for determining the price

As it is seen in the Table 3, the recommended price (45,000 Rubles per ton) for Ruukki Rus' production, i.e. columns, is placing the company on the 23rd position in the list of the companies that were included in the monitoring process. The fact, that the majority of companies with the market share between 2% and 5% is having higher prices than the proposed price for Ruukki Rus, brings me to the conclusion that the recommended price for building season 2010 is an average weighted price on the market. This pricing position brings flexibility into the decision-making process during the building season 2010, because Ruukki Rus' management team will be able to adjust the prices according to the changes of market environment. What is most important Ruukki Rus will be able to both increase and decrease the price and still be profitable. For instance, the production capacity of the company is so that once Ruukki Rus receives a large-scale order, the company can still achieve the economies of scale even with the decreased prices.

8 CONCLUSION

Developing pricing strategy is a very complex and strategically important task, that should be performed well enough in an organization in order to achieve the goals and maximize profits. There are a lot of factors that influence the decision-making process, and obviously companies, which are in the market for a long time and stay profitable during a long time, know how to develop the pricing strategy.

This thesis was not aiming to develop a pricing strategy for a major market player, however, it was designed to develop pricing recommendations. In some cases it is very crucial to look at the problem from another perspective. As this thesis was not only helping the company to compare recommended

price strategy and the existing one, conducted research became a very valuable piece of work for number of reasons.

First, the database of the competitors was created and updated. Comparing Appendix 4, 5 and 6, it is possible to notice that the original database of fifty-two companies has reduced to thirty-six positions. It should be treated as a normal research process, because when the companies were contacted via email and phone calls, many new details have been arising, such as a company has become bankrupt or has merged with another company. The created database is important for both Ruukki Rus and its dealers Andrometa and Amicor, because awareness of the competitors on the market influences the decision-making processes. With help of this database it will be easier to monitor competitors during this building season. Moreover, it would be a good base for future monitoring. In addition to this, Ruukki Rus, Andrometa and Amicor will have a chance to compare the existing database and the one, created by me, and take into consideration differences, if there are any.

The conducted research was covering different aspects, concerning steel structure production, however only one characteristic was defined during the research process as the key one, i.e. price for one ton of columns. It was not a random characteristic that managers from the company wanted to know. Columns are the very core elements in steel buildings, therefore, they define the price for the complete building. That is why it is vital to know its price in to compete successfully on the market. The research results provided Ruukki Rus and its dealers with the rating of competitors' column prices, which is a valuable information that can assist the company's managers during the decision-making processes.

The most important part of the research is price recommendations. There were different methods considered, however, none of them was fitting the company,

its strategy and the industry they are operating in. That is why a mixed method of break-even pricing and competition-based pricing was chosen. This method was perfectly fitting the research goal, in addition to the fact that all the information for calculating the price was available. As a result, the price recommendations could been given.

The outcome of the research is following: the recommended column price for building season 2010 is 45 000 Rubles per ton. It was demonstrated that it is the most profitable price, hence it should be considered as a selling price for building season 2010. In addition to the fact that recommended price is going to result in the biggest profits, the price of 45 000 Rubles per one ton of columns is one of the most attractive ones for the customers. Moreover, conducted research showed that pricing strategy can be rather flexible in upcoming building season. This is probably the most critical finding of the research, as the ability to be flexible in making strategically important decisions is one of the factors that lead companies to higher profits.

REFERENCES

Agentstvo Storitelnoj Informacii (Agency of building information) 2008. The overview of Steel Structure Manufacturing in Russia.

Akopjan, A. 2010. Technical director of Andrometa; Chief Technical Officer of Ventall till 2006. Interview of 11 February 2010, 8 March 2010 and 12 April 2010.

Berry, T. 2009. Break-even analysis. Accessed on 5 April 2010. http://articles.bplans.com/writing-a-business-plan/break-even-analysis/131

Bespalov, O. 2010. Sales director of Amicor. Interview of 24 February 2010 and 9 April 2010.

Chernyshev, A. 2010. Chief Executive Officer of Ruukki Rus. Interview of 26 February 2010, 13 April 2010 and 15 April 2010.

Ghauri, P. & Gronhaug, K. 2002. Research methods in business studies: a practical guide, 2nd edition. Essex: Pearson Education Limited

Gibbs, G. 2007. Analyzing Qualitative Data. London: SAGE Publications Inc.

Holtz, H. 1996. Priced to sell: the complete guide to more profitable pricing. United States of America: Upstart Publishing Company

Kotler, P., Wong, V., Saunders, J. & Armstrong, G. 2005. Principles of Marketing. 4th European edition. Essex: Pearson Education Limited

Lazutkin, L. 2010. Sales director of Ruukki Rus. Interview of 22 February 2010 and 13 April 2010.

Metall i izdelija iz nego. (Metal and constructionist, made from metal.) 2010. Search results on Stroj Baza's website. Accessed on 11February 2010. http://www.stroi-baza.ru/catalog/rubric.php?rid=11

Metall i metallicheskie izdelija. (Metal and metal constructions.) 2010. Search results on Stroj Portal's website. Accessed on 8 February 2010. http://www.stroyportal.ru/firms/290.html

Metallokonstrukcii, kovanye i svarnye izdelija. (Metal constructions, forged products and weld assemblies.) 2010. Search results on Spravochnik Straiten's website. Accessed on 8 February 2010. http://www.stroyinform.ru/baza_stroitel/list.php?BY=rubric&BY_ID=91445

Nagle, T. T. & Hogan, J. E. 2006. The Strategy and Tactics of Pricing: a guide to growing more profitably, 4th edition. New Jersey: Pearson Education, Inc.

Proctor, T. 2005. Essentials of marketing research. 4th edition. Essex: Pearson Education Limited

Ruukki in Brief. 2010. Article on Ruukki's website. Accessed on 15 February 2010. http://www.ruukki.com/, Ruukki in brief, Ruukki Construction

Search engine Yandex. 2010. http://www.yandex.ru

Search engine Rambler. 2010. http://www.rambler.ru

Appendix 1. Requirement specification original

ООО «Амикор»

AmiCor®

В отдел продаж.
Исх. № 17/01 от 04.03.2010г.

Уважаемые господа!

Инжиниринговая компания ООО «Амикор» участвует в тендере по строительству 2-ой очереди логистического комплекса из легких металлоконструкций в Московской области. В настоящее время идет отбор потенциальных субподрядчиков и поставщиков комплектных зданий. Предполагаемые сроки начала строительно-монтажных работ II квартал 2010 года. Срок поставки комплекта III квартал 2010 года. Предполагаемый объем поставки элементов каркаса 660 тн. Конструкция здания 2-ой очереди будет повторять конструкцию 1-ой очереди. С целью определения возможности изготовления и подготовки коммерческого предложения с Вашей стороны, направляем чертежи КМ 1-ой очереди.

Просим предоставить следующую информацию по стоимости комплектующи (в т.ч. НДС 18%):

1. Стоимость одной тонны металлоконструкций колонн без учета стоимости метизов.
2. Стоимость одной тонны металлоконструкций ферм (стропильных и подстропильных) без учета стоимости метизов.
3. Стоимость доставки 660 тн металлоконструкций до г. Подольск, Московской области (ж\д или а\м).
4. Стоимость одного кв.м стеновых ограждающих конструкций (панели-сэндвич с минераловатным утеплителем, толщина – 100 мм).

Если Ваша организация выполняет строительно-монтажные работы, просим предоставить следующую информацию:

5. Стоимость монтажа с готовых фундаментов одной тонны металлоконструкций каркаса.
6. Стоимость монтажа одного кв.м ограждающих конструкций панелей-сендвич.

Дополнительно просим указать:

7.Возможность предоставления банковской гарантии на сумму аванса 30% от объема поставки. Расходы на банковскую гарантию указать отдельной строкой.

8.Достигнутую производственную мощность Вашего предприятия (тонн в месяц) по выпуску элементов каркаса и реальная (или планируемая) загрузка производства на летний сезон 2010 г. (Если Вы планируете

разместить заказ у своих партнеров заводов-изготовителей, укажите это).

ООО «Амикор»
Россия, 249030, Калужская обл.
г. Обнинск, пр.Ленина, 144
тел.: 8 (48439) 2-06-06
факс: 8 (48439) 2-06-06

ИНН 4025414829 КПП 402501001
ОГРН 1027700132195

Обнинское отделение № 7786 СБ РФ,
БИК 042908612
К/с 30101810100000000612
Р/с 40702810922230101513
Калужский ОСБ № 8608 г. Калуга

Кроме того, на территории логистического центра необходимо возвести здание гаража размерами 18,0х42,0х6,0 м (шаг колонн 6 м) в следующей комплектации:

- ограждающие конструкции (стены – панели-сэндвич, толщина 100 мм, кровля – полистовая из профлиста с минераловатным утеплителем, толщина 150 мм);
- воротные проемы 4,0х4,0 – 3 шт. с длинного фасада здания;
- остекление – ленточное 39,0х1,5, ПВХ, однокамерный стеклопакет, глухие.

Проектно-конструкторская документация на здание гаража предоставляется заводом изготовителем.

Коммерческое предложение просим направлять:

- по e-mail: amicor@obninsk.ru
- по факсу: (48439) 2-06-06

Информацию просим предоставить до 11.03.2010 года.

Примечания:

1. В коммерческом предложении просим предоставлять информацию строго по пунктам данного запроса.
2. К данному запросу прилагается часть чертежей КМ в количестве – 10 листов (3 файла).

С уважением,
Директор по продажам ООО «Амикор» И. Беспалов
04.03.2010

ООО «Амикор»
Россия, 249030, Калужская обл.
г. Обнинск, пр.Ленина, 144
тел.: 8 (48439) 2-06-06
факс: 8 (48439) 2-06-06

ИНН 4025414829 КПП 402501001
ОГРН 1027700132195

Обнинское отделение № 7786 СБ РФ,
БИК 042908612
К/с 30101810100000000612
Р/с 40702810922230101513
Калужский ОСБ № 8608 г. Калуга

Appendix 2. Requirement specification English translation

OOO Amicor
To the sales department
#17/01, sent on 4 March 2010

Dear Sir/Madam

Engineering company Amicor is participating in the construction tender of the second staged logistic complex made from light-weighted steel structures in Moscow region. Currently the selection process of potential subcontractors and suppliers of complete buildings is going on. The estimated beginning of the construction and erection works will take place in the second quarter of 2010. The due date for delivery of complete building is the third quarter of 2010. The estimated volume of supply of frame elements is 660 tons. The building structure of the second stage buildings coincides with the building structure of the first stage. In order to identify whether it is possible for you to prepare the offer, the blueprints of the first stage buildings are sent.

We are kindly asking you to provide the following information concerning the component prices (including VAT 18%):

1. Price for one ton of steel structure columns without the price for metal goods.
2. Price for one ton of steel structure trusses without the price for metal goods.
3. The transportation costs for 660 tons of steel structures. Destination: Podolsk, Moscow region (means of transportation could be either railway or road).
4. Price for one square meter of wall frame filling (sandwich-panels with mineral wool, 100 mm).

In addition to this, if your company carries out the construction and erection works, we would like you to provide the following information:

5. Price for erection of one ton of steel structure frames.
6. Price for erection of one square meter of wall sandwich-panels.

Moreover, we would also like to know:

7. whether you are able to provide a bank guarantee in the amount of 30% of advanced payment from the total volume of supply. Please, specify the bank guarantee expenditures as a separate position.
8. The achieved production capacity of your company (tons per month) and the estimated production utilization for building season 2010, if it is possible. If you are planning to partner with other steel structure manufacturers, please, specify it.

At the same time, a garage is needed on the territory of logistic complex. The dimensions of the building are 18 x 42 x 6 m, and the specifications of the building are following:

- frame filling (sandwich-panels with mineral wool, 100 mm; roofing - roof sheeting profile with mineral wool, 150 mm)
- three gate apertures, 4 x 4 m (on a longer face of the building)
- glazing: continuous windows (39 x 1,5 m), PVC window profile, double-pane glass, fixed windows

Project designing and documentation for the garage building is provided by manufacturing factory.

We are kindly asking you to send the commercial offer via e-mail amicor@obninsk.ru or fax (48439) 2-06-06 by 11 March 2010.

Notes:

1. Would you please provide the information strictly according to the above-mentioned positions in the requirement specification.
2. Find 10 pages of blueprints (3 files) attached to the e-mail.

Best regards

Sales Director of Amicor Igor Bespalov

4 March 2010

Appendix 3. Sample commercial offers from producers of steel structures

Company: Novokuznetskij zavod rezervuarnych metallokonstrukcij

№	Content	Measuring unit	Figures
1.	Price for one ton of column	Rubles	55 100
2.	Price for one ton of truss	Rubles	57 000
3.	Transportation costs for 660 tons of steel structures. Destination: Podolsk	Rubles	2 100 000
4.	Price for one square meter of wall frame filling (100 mm)	Rubles	1448,70
5.	Price for erection of one ton of steel structures	Rubles	—
6.	Price for erection of one square meter of wall panels	Rubles	—
7.	Bank guarantee	%	5
8.	Achieved production capacity	tons	1200
9.	Price for storage building (18x42x6 m)	Rubles	—

ОТКРЫТОЕ АКЦИОНЕРНОЕ ОБЩЕСТВО
«НОВОКУЗНЕЦКИЙ ЗАВОД РЕЗЕРВУАРНЫХ МЕТАЛЛОКОНСТРУКЦИЙ
имени Н.Е. Крюкова»

654034 г. Новокузнецк, ул. Некрасова, 28
Тел.: (3843) 36-89-55, 37-86-96
Факс: (3843) 37-06-18, 36-89-54
E-mail: rmk@nzrmk.kemerovo.su www.nzrmk.ru
ИНН / КПП 4221002780 / 421650001
р/с 40702810600000000032
к/с 30101810000000000706 БИК 043209706
в «БСТ-БАНК» ЗАО г. Новокузнецка

№ 33-911/д-13 от 13.03.2010

Настоящее письмо акцептом не является.

ООО «Амикор»
Генеральному директору

Адрес: г. Обнинск,
Факс: (48439) 2-06-06' Телефон: (48439) 2-06-06 E-mail: amicor@obninsk.ru
На № 17/01 от 11.03.2010
Кас : Металлоконструкции 2-ой очереди логистического комплекса .

Уважаемые Господа!

ОАО «Новокузнецкий завод резервуарных металлоконструкций имени Н. Е. Крюкова» настоящим подтверждает возможность, при условии заключения договора, разработать чертежи КМД, изготовить и отгрузить железнодорожным/авто- транспортом металлоконструкции Логистического комплекса в согласованные сроки в соответствии с предоставленными Вами требованиями.

Настоящим предоставляем Вам информацию по стоимости комплектующих с учетом НДС:

1. Стоимость одной тонны металлоконструкций колонн без учета стоимости метизов – 55 100,00 руб. без учета транспортных затрат.
2. Стоимость одной тонны металлоконструкций ферм (стропильных и подстропильных без учета стоимости метизов – 57 000,00 руб. без учета транспортных затрат.
3. Стоимость доставки 660 тонн металлоконструкций до г. Подольск Московской области:

   ж/д транспорт – 3 420 000,00 руб. с НДС (ориентировочно)

   автотранспорт – 2 100 000,00 руб. с НДС (ориентировочно)
4. Стоимость одного кв.м стеновых ограждающих конструкций (панели-сэндвич с минераловатным утеплителем, толщиной 100 мм) – 1448,70 руб. с НДС.

ОАО «Новокузнецкий завод резервуарных металлоконструкций имени Н. Е. Крюкова» настоящим подтверждает возможность, при условии заключения договора, разработать проект КМ и чертежи КМД, изготовить и отгрузить железнодорожным/авто- транспортом металлоконструкции здания гаража 18,0 х 42,0 х 6,0 м Логистического комплекса в согласованные сроки в соответствии с предоставленными Вами требованиями.

Ориентировочная масса металлоконструкций здания гаража составит 128,5 тонн.

Ориентировочная стоимость – 7 453 000,00 руб. с НДС без учета транспортных затрат, без учета затрат на проектирование.

Остекление ПВХ в комплект поставки не входит.

Стоимость разработки проектной документации – 670 000,00 руб.

Металлоконструкции каркаса поставляются огрунтованными грунтом ГФ-021.
Цвет окраски кровли RAL - согласовывается
Цвет окраски панелей стен (внутр./наружн.) RAL - согласовывается
Материалы для уплотнения, герметики, инструменты и приспособления для монтажа, конструкции встроенных помещений в комплект поставки не входят.
Продольная резка, вырезка карманов и отверстий, уступов в сэндвич-панелях выполняется на монтаже.
Масса, количество и, соответственно, стоимость, металлоконструкций уточняются при разработке чертежей КМД.

ОАО «НЗРМК им. Н. Е. Крюкова» подтверждает возможность предоставления Банковской гарантии на сумму аванса 30% от объёма поставки.

Расходы по обслуживанию банковской гарантии – 5% от суммы гарантии.

В связи со значительной загрузкой по июль 2010 года, ОАО «НЗРМК им. Н. Е. Крюкова» сможет приступить к изготовлению вышеуказанных металлоконструкций не ранее 20 июля 2010 года.

Производственные мощности завода позволяют изготавливать до 1200 тонн металлоконструкций в месяц.

С уважением,

Генеральный директор **Н. Е. Крюков**

Исполнитель:
Володин Михаил Степанович
Тел.: (3843) 97-58-90; 37-37-60.
E-mail: sm@nzrmk.kemerovo.su

Company: Metalvesuvs

№	Content	Measuring unit	Figures
1.	Price for one ton of column	Rubles	57 220
2.	Price for one ton of truss	Rubles	46 610
3.	Transportation costs for 660 tons of steel structures. Destination: Podolsk	Rubles	100 400
4.	Price for one square meter of wall frame filling (100 mm)	Rubles	1500
5.	Price for erection of one ton of steel structures	Rubles	13 000
6.	Price for erection of one square meter of wall panels	Rubles	600
7.	Bank guarantee	%	—
8.	Achieved production capacity	tons	500
9.	Price for storage building (18x42x6 m)	Rubles	3 696 281

Общество с ограниченной ответственностью
МЕТАЛЛРЕСУРС

Юр. адрес: Вологодская обл., Грязовецкий р-н, д. Становищево, Почт. адрес: 160012, г.Вологда, ул.Элеваторная 37-а
Контактные телефоны: тел.факс (8172) 75-55-51, 216-092, www.mresurs.ru E-mail: mresurs2002@yandex.ru
ИНН - 3509005014, КПП 350901001 , БИК – 041909544 , р/с - 40702810812000100541 в Вологодском отделении № 8638 СБ РФ г. Вологда , к/с - 30101810900000000644, ОКПО - 41136993, ОКОНХ - 14811, 71500

Генеральному директору ООО «Амикор»

Исх. №77
От 12.03.2010г.

На Ваш запрос по стоимости комплектующих:

1. Стоимость одной тонны металлоконструкций колонн без учета стоимости метизов, без доставки – 51 220 р/т
2. Стоимость одной тонны металлоконструкций ферм (стропильных и подстропильных) без учета стоимости метизов.- 46 610р/т
3. Стоимость доставки 660 тн металлоконструкций до г. Подольск, Московской области а\м) – 100400 руб..
4. Стоимость одного кв.м стеновых ограждающих конструкций (панели-сэндвич с минераловатным утеплителем, толщина – 100 мм).- с учетом саморезов и доборных элементов – 1500р/м2
5. Стоимость монтажа с готовых фундаментов одной тонны металлоконструкций каркаса- 13 000р/т.
6. Стоимость монтажа одного кв.м ограждающих конструкций панелей-сендвич:
   - кровля - 550р/м2;
   - стены - 600 р/м2..
7. Производственная мощность нашего предприятия - до 500тн металлоконструкций в месяц.
8. Стоимость гаража размерами 18*42,6м – прилагается.

1. 51220 р/тн
2. 46 610 р/тн
3. 100 400 руб
4. 1500 р/м² (с учетом доборных элементов)
5. 13000 р/тн
6. 600 р/м²
7. Н19
8. 500 тн/мес
9. 3 696 281 руб

Директор
ООО «Металлресурс» *В.Ф. Меньшиков*

Гараж размерами 18*42*6 м (без фундаментов и полов)
Логистический центр ООО "Амикор"

61

№ п/п	Наименование	ед.изм.	Кол-во	Стоимость материалов за ед. руб. с НДС	Стоимость работ за ед. руб. с НДС	Стоимость всего, руб. с НДС
1	**металлокаркас**					
	Колонны (гн.профиль)	т	5,75			0,00
	Фермы (гн.профиль)	т	8,88			0,00
	Связи по колоннам (гн.профиль)	т	1,44			0,00
	Связи по фермам (гн.профиль)	т	1,28			0,00
	Ригеля стен, фахверк (гн.профиль)	т	4,08			0,00
	Прогоны кровли (гн.профиль)	т	7,76			0,00
	весго металлоконструкций	т	**29,18**	46 000,00		**1 342 486,08**
	Монтаж металлоконструкций	т	**29,18**		14 000,00	**408 582,72**
	ИТОГО по п.1					1 751 068,80
2	**Кровля**					
	Профлист С-44-0,7-1000 (наружный) RAL	т	6,49	45 000,00		291 891,60
	Профлист С-21-0,7-1000 (внутренний) RAL	т	6,29	42 000,00		264 045,60
	Доборные элементы	т	0,57	85 000,00		48 266,40
	саморезы	шт	11 000,00	1,20		13 200,00
	Утеплитель (t=150мм)	м2	143,00	2 500,00		357 500,00
	ветрозащита, пароизоляция	м2	2 065,00	28,00		57 820,00
	прочие материалы (скотч, фанера и др.)	к-т	1,00	45 000,00		45 000,00
	всего материалы					**1 077 723,60**
	Монтаж кровельного покрытия	м2	**830,00**		550,00	**456 500,00**
	ИТОГО по п.2					1 534 223,60
3	**Стены**					
	Сэндвич-панели t=100мм	м2	879,90	1 280,00		1 126 272,00
	Крепление сэндвич-панелей	шт	1 400,00	35,00		49 000,00
	доборные элементы	м2	0,48	85 000,00		40 800,00
	прочие материалы (утеплитель, герметик, ленты прокладочные и др.)	к-т	1,00	60 000,00		60 000,00
	всего материалы					**1 276 072,00**
	Монтаж сэндвич-панелей	м2	879,90		500,00	**439 950,00**
	ИТОГО по п.3					1 716 022,00
	доставка материалов до объекта	К-т	1,00			250 000,00
	ИТОГО					**5 251 314,40**

3696251

Директор ООО «Металлресурс» В.Ф. Меньшиков

Примечание №1: стоимость ворот не учтена в расчете, оставлены проемы 4*4м 3шт.
Примечание №2: По типовому проекту 37/266 КМД ООО "ПГП-Вологда"

Company: SVS - Tekhnika

№	Content	Measuring unit	Figures
1.	Price for one ton of column	Rubles	48 000
2.	Price for one ton of truss	Rubles	48 000
3.	Transportation costs for 660 tons of steel structures. Destination: Podolsk	Rubles	1 815 000
4.	Price for one square meter of wall frame filling (100 mm)	Rubles	—
5.	Price for erection of one ton of steel structures	Rubles	21 000
6.	Price for erection of one square meter of wall panels	Rubles	—
7.	Bank guarantee	%	—
8.	Achieved production capacity	tons	600
9.	Price for storage building (18x42x6 m)	Rubles	1 370 000

завод металлических конструкций

СВС-Техника

Исх. № 171/КД/ от «03» марта 2010 г
На вх. № ___ от «___»_____200_ г

ООО «Амикор»

Коммерческое предложение

Производственно-строительная компания СВС-Техника благодарит Вас за возможность предложить Вашему предприятию сотрудничество в области заводского изготовления строительных металлических конструкций.

Производственно-строительная компания СВС-Техника подтверждает правоспособность изготавливать металлические строительные конструкции и проводить профессиональный монтаж наличием лицензий на право ведения строительно-монтажных работ, проектирование, работ в сложных геологических условиях и высотах свыше 100 метров.

Система менеджмента качества компании сертифицирована на соответствие международному стандарту MS ISO 9001:2000 и Национальному стандарту ГОСТ Р ИСО 9001-2001 (в системах IQNet, Русского регистра и ГОСТ Р) в области: проектирование, монтаж и изготовление стальных строительных конструкций.

Производственные возможности компании (собственные): площадь производственная 12,1 га, наличие железнодорожной ветки на производственной территории, современный парк станочного оборудования, наличие полноценного штата инженерно - технического состава и основных производственных рабочих.

В качестве подтверждения заинтересованности компании в совместной работе по Вашему проекту предлагаем для рассмотрения стоимость м/к.

1. Стоимость изготовления одной тонны металлоконструкций колонн составляет 48 000 рублей без учёта стоимости метизов.
2. Стоимость одной тонны металлоконструкций ферм (стропильных и подстропильных) составляет 48 000 рублей без учета стоимости метизов.
3. Стоимость доставки 660 тн металлоконструкций автотранспортом до г. Подольск, Московской области составляет 1 015 000 рублей.
4. Портфель заказов на весенне-летний период сформирован. Завод имеет резервные мощности для загрузки производства в данный период без ухудшения качества выпускаемой продукции и сроков поставки.

Стоимость изготовления м/к быстровозводимого здания с вертикальными стенами двускатной кровлей (назначение - гараж), размерами (ш*д) 18*42*6 (высота до низа несущих конструкций) составляет 1 370 000 рублей. Стоимость внешней ограждающей конструкции - послойной сборки (оцинкованный проф. лист + утеплитель + оцинкованный проф. лист) составляет 1 550 000 рублей. Стоимость доставки автотранспортом до г.Подольск, Московской области составляет 78 000 рублей.

Certified by Russian Register

Контакты:
ООО «СВС-Техника», ИНН 6829004118, КПП 682901001, ОГРН 1036876411955
Юридический адрес: 392252, Россия, Тамбовская обл., г. Рассказово, Кирпичный пер., 28,0.
Фактический адрес: 392255, Россия, Тамбовская обл., г. Рассказово, Индустриальная, 3
Грузоотправитель: ст. Платоновка ЮВЖД, код 602406
Телефон многоканальный +7(47531)23-7-99, факс +7(47531)30-4-55
http:// www.svs-t.ru E-mail: info@svs-t.ru

завод металлических конструкций

СВС-Техника

Условия оплаты: 70 % предоплата от общей стоимости здания в момент заключения договора, 30% после письменного, факсимильного, уведомления о готовности продукции к отгрузке.

Стоимость комплекта здания не включает системы внутренних инженерных коммуникаций (освещение, отопление, вентиляция, пожарная сигнализация, охранная сигнализация), которые рассчитываются отдельно согласно разработанной проектной документации на основе Ваших пожеланий.

Гарантийные обязательства компании 2 года. Все цены указаны с НДС.

С надеждой на дальнейшее взаимовыгодное сотрудничество Наших компаний!

С уважением
Коммерческий директор С. А. Перегудов

Исп.: О. В. Гудкова.
Тел/факс (47531) 38-455, 38-351, 30-986, 23-799 (многоканальный)

IQNet
Certified by
Russian Register

РЕГИСТР РС ИСО 9000

Контакты:

ООО «СВС-Техника», ИНН 6828004118, КПП 682801001, ОГРН 1036876411956
Юридический адрес: 393252, Россия, Тамбовская обл., г. Рассказово, Некрасовский пер., 88 с.
Фактический адрес: 393255, Россия, Тамбовская обл., г. Рассказово, Индустриальная, 2
Грузоотправители: ст. Платоновка ЮВЖД, код 602405
Телефон многоканальный +7(47531)22-7-00, факс +7(47531)28-4-35
http:// www.svs-t.ru E-mail: info@svs-t.ru

Company: Stalnaya i Monolitnaya Konstruksii - A (SiMK-A)

№	Content	Measuring unit	Figures
1.	Price for one ton of column	Rubles	53 200
2.	Price for one ton of truss	Rubles	51 600
3.	Transportation costs for 660 tons of steel structures. Destination: Podolsk	Rubles	660 000
4.	Price for one square meter of wall frame filling (100 mm)	Rubles	1690
5.	Price for erection of one ton of steel structures	Rubles	16 600
6.	Price for erection of one square meter of wall panels	Rubles	440
7.	Bank guarantee	%	5
8.	Achieved production capacity	tons	420
9.	Price for storage building (18x42x6 m)	Rubles	—

ООО "Стальные и Монолитные Конструкции - А"

Юр.адрес: 129344, Москва, ул. Искры, д.17А, стр.3
Факт.адрес: 129344, г. Москва, ул. Искры , д.17А, стр.3
р/с 40702810438040019840 в «Сбербанк России» (ОАО) г. Москва
Email: info@simk-a.ru
тел/факс: 662-41-85, 662-41-86

Исх. 11/03-10
От 09 марта 2010г.

ООО «Амикор»

Уважаемые господа!

Благодарим Вас за проявленный интерес к деятельности нашей компании .

В ответ на Ваш запрос сообщаем Вам :

1. Стоимость изготовления одной тонны м/конструкций колонн составляет 53 200 руб. без метизов.
2. Стоимость изготовления одной тонны м/конструкций ферм составляет 51 600 руб. без метизов.
3. Стоимость доставки 660 т м/конструкций до г.Подольска составит 660 000 руб.
4. Стоимость изготовления и доставки /г. Подольск/ одного м2 сэндвич-панелей составляет 1 690 руб. с доборами , крепежом и вспомогательными материалами.
5. Стоимость монтажа одной тонны м/конструкций каркаса при данном объеме составит 16 600 руб. с учётом г/п кранов.
6. Стоимость монтажа одного квадратного метра сэндвич- панелей составит 440 руб.
7. Предоставление банковской гарантии на сумму аванса 30%.Расходы на банковскую гарантию составляют 5% от суммы аванса. Дальнейшее финансирование ведётся по согласованному и утверждённому графику.
8. Производственная мощность нашего производства и производства завода – партнёра суммарно составляет 420 т м/конструкций в месяц. Реальная загрузка : май - 40%; июнь -15% ; июль, август-0%.

С уважением,
Генеральный директор _____Горшков М.А.

Конт. лицо : Гордеев Борис Александрович -8 916 837- 91-87
662-41-87

Company: Kireevskij zavod metallokonstrukcij

№	Content	Measuring unit	Figures
1.	Price for one ton of column	Rubles	47 500
2.	Price for one ton of truss	Rubles	47 500
3.	Transportation costs for 660 tons of steel structures. Destination: Podolsk	Rubles	629 000
4.	Price for one square meter of wall frame filling (100 mm)	Rubles	930
5.	Price for erection of one ton of steel structures	Rubles	11 500
6.	Price for erection of one square meter of wall panels	Rubles	400
7.	Bank guarantee	%	7
8.	Achieved production capacity	tons	2000
9.	Price for storage building (18x42x6 m)	Rubles	3 812 000

Открытое акционерное общество
«Киреевский завод легких металлоконструкций»
(ОАО «КЗЛМК»)

301260 Киреевск Тульской области
Тел/факс (48754) 6-40-69, тел. 6-19-74
E-mail: km_kzlmk@mail.ru, www.kzlmk.ru
Служба продаж: тел. 6-06-10

Генеральному директору
ООО «Амикор»

факс (48439) 2-06-06

№ _____
На _____ от _____
коммерческое предложение

Выражаем Вам свое почтение и благодарим за направленную в наш адрес заявку на изготовление конструкций логистического комплекса размером 102х156х12,5м в г. Подольск Московской области.

Внимательно рассмотрев Ваш запрос, сообщаем, что ориентировочная стоимость изготовления металлоконструкций каркаса (V=677тн) в комплекте с метизами, упакованными в деревянные ящики, по состоянию на 12.03.10г. составляет **34 081 тыс.руб.,** при этом стоимость 1 тн металлоконструкций без крепежных изделий – **47 300 руб.**

Стоимость доставки автотранспортом вышеуказанных конструкций до г. Подольск ориентировочно составит 950 руб. за 1 тонну. х 660тн = 627 000

Доводим до Вашего сведения, что наше предприятие имеет возможность изготовить стеновое ограждение вышеуказанного здания. В качестве ограждающих конструкций предлагаем стеновые сэндвич-панели с толщиной минераловатного утеплителя 100 мм, стоимость которых ориентировочно составит 930 руб. за 1 кв.м.

Указанные цены даны с НДС, без учета транспортных расходов.

Покрытие металлоконструкций - два слоя грунта ГФ 021 красно-коричневого цвета.

Одновременно сообщаем, что стоимость работ по монтажу металлоконструкций составит 11 500 рублей за 1 тн, сэндвич-панелей – 400 руб. за 1 кв.м.

Наше предприятие имеет возможность предоставить банковскую гарантию на сумму аванса 30% от объема поставки. Расходы на банковскую гарантию составят 110 тыс. рублей.

Производственная мощность нашего предприятия - 2000 тн металлоконструкций в месяц. При принятии Вами положительного решения о размещении заказа на нашем заводе, мы имеем возможность изготовить вышеуказанные конструкции в летней период 2010 года.

Дополнительно сообщаем, что ориентировочная стоимость изготовления конструкций здания гаража размером 18х42х6м (V=35тн), составляет – **3 812 тыс. руб.**, в том числе стоимость 1 тн металлоконструкций с крепежными изделиями – **46 800 руб.**

В расчет стоимости здания согласно техническому заданию включены:

- металлоконструкции в комплекте с метизами - 1 677 тыс. руб.;
- кровельное ограждение с доборными элементами и крепежными изделиями - 878 тыс. руб.;
- стеновое ограждение в комплекте с доборными элементами и крепежными изделиями - 1 013 тыс. руб.;
- проектные работы - 244 тыс. руб.

Будем рады видеть Вас на нашем предприятии.

1. 47300
2. 627000
3. 627000
4. 930 (кв.м)
5. 11500 (тн)
6. 400 (кв.м)
7. 30 х 2 %
8. 3812000 а 46800

С уважением,
Генеральный директор **В. А. Горельшиков**

Васильев (48754) 6-06-10

№	Company name	Address	Telephones	Web-page	E-mail
1	OOO Ruukki Rus	249030, Russia, Kaluga region, Obninsk, Kievskoe shosse, 100	(48439) 9-60-33; fax (48438) 6-00-40	www.ruukki.com	sales-rus@ruukki.com
2	Energomash Group	119034, Russia, Moscow, Butikovskij pereulok 14/5	(4722) 21-10-21, (495)980-95-60, (495)792 39-51	www.energomash.ru	zmk@energomash.ru
3	ZAO Cheljabenskij zavod metallokonstrukcij	454139, Russia, Cheljabinsk, Novorossijskaja street, 46	(351) 253-28-21, 253-77-89	www.metcon.ru	office@metcon.ru
4	OOO Nizhnetaginskij ZMK	622005, Russia, Sverdlov region, Nizhnij Tagil, Shevchenko street, 10	(3435) 29-93-55, 29-93-03, fax 29-93-74	http://www.ntzmk.ru/	mail@ntzmk.ru
5	Kulebakskij zavod metallicheskih konstrukcij (Sojuzlegkonstrukcija)	607010, Russia, Nichegorodskij region, Kulebaki, Nekrasov street, 12	(83176) 525-85, 541-46, 518-18, 561-91	www.slk.ru	info@slk.ru
6	OAO Novokuzneckij zavod rezervuarnyh metallokonstrukcij	654034, Russia, Novokuzneck, Nekrasov street, 28	(3843) 36-89-55, 37-86-96	www.nzrmk.ru	sm@nzrmk.kemerovo.su
7	OAO Uralskij trubnyj zavod	623107, Russia, Sverdlov region, Pervouralsk, Sakko and Vancetti street, 28	(3439) 297-501, 297-502	www.trubprom.com	market@trubprom.com
8	OOO Kuzneckie metallokonstrukcii	654000, Russia, Novokuzneck, L. Chajkina street, 10	(3843) 46-57-56, 45-09-90	www.km-group.ru	km@km-group.ru
9	ZAO Zavod modulnyh konstrukcij Magnum	620049, Russia, Ekaterinburg, Post Office Box 111	(343) 374-01-77, 374-51-44.	www.magnum.ural.ru	magnum@mail.utk.ru
10	OAO Juzhnouralskij zavod metallokonstrukcij	457040, Russia, Cheljabinsk region, Juzhnouralsk, Stroitelej street, 1	(35134) 4-24-71	www.konstrukt-ural.ru	zmk@konstrukt-ural.ru
11	OAO Kireevskij zavod legkih metallokonstrukcij	301260, Russia, Tula region, Kireevsk	(48754) 6-40-69	www.kzlmk.ru	info@kzlmk.ru, kzlmk@mail.ru
12	OAO 149 mehanicheskij zavod	127238, Russia, Moscow, Ilmenskij proezd, 1	(495) 487-40-19, 489-14-31, 487-60-14, 488-50-35	www.149.ru	sale@149.ru
13	OOO Astron Buildings LLC	123290, Russia, Moscow, 2nd Magistralnaja street, 14/1	(495) 981-39-60, 981-39-61	www.astron.biz	info.ru@astron.biz
14	Stalkonstrukcija	194100, Russia, St. Petersburg, Litovskaja street, 17A	(812) 295-54-05, 327-59-89.	www.skspb.ru	office@skspb.ru
15	OAO OZMK	462401, Russia, Orenburg region, Orsk, Metallistov street, 5	(3537) 22-08-84, 22-15-73, 22-26-50	www.ozmk.ru	info@ozmk.ru
16	ZAO Samarskij zavod Elektroshit	443048, Russia, Samara, Krasnaja Glinka street	(846) 276-39-72, 278-40-92, 276-39-03, 276-39-71, 276-39-72	www.prozd.ru	dpsk@electroshield.ru mdr2002@mail.ru
17	ZAO Vyksunskij zavod legkih metallokonstrukcij	607060, Russia, Nizhnij Novgorod region, Vyksa, Doschatinskoe shosse, 44	(83177)6-43-91,6-43-92, 3-23-86	www.vzlmk-nnov.narod.ru	vzlmk-nnov@yandex.ru

18	Molodencheskij zavod metallokonstrukcij	222310, Belarus, Minsk region, Molodechno, V. Gostinec, 31a	(375)(1773)5-45-34, 5-45-34	www.mzmk.boom.ru	Mldzmk@mail.belpak.by
19	INSI Group	119049, Russia, Moscow, Bolshaja Jakimanka, 33/13	(499) 238-12-43, (499) 238-80-76	www.insi.ru	moscow@insi.ru fedorov@insi.ru
20	Specatomkontakt	Russia, Moscow, B. Suharevskaja square, 16/18 - 1	(495) 579-40-04	www.tsf.ru	info@metall.ru
21	OOO Mendeleevskij Zavod Metallicheskih Konstrukcij	Russia, Moscow, Usievich street, 20/2 office, 1417	(495) 641-02-14, 641-02-16	www.mzmk.ru	info@mzmk.ru liv@mzmk.ru
22	SoyuzLegKonstrukcija	107023, Russia, Moscow, Malaja Semenovskaja street, 11A/4	(495) 580-70-81, 580-70-82	www.slka.ru	reception@slk.ru
23	OOO Steal Trade	142750, Russia, Moscow region, Leninskij district, Likova village	(495) 436-20-32, 961-18-80, 436-74-84	www.izvarino.ru	zavod@likova-mash.ru
24	Ramenskij zavod metallokonstrukcij	Russia, Moscow region, Ramenskoe, Krasnoarmejskaja street, 133; Dorozhnyj proezd street, 11	(495) 225-31-41, 510-45-05	www.ramzavod.ru	ramzavod@mail.ru
25	Shodninskij zavod metallokonstrukcij (Strojpromet)	141421, Russia, Moscow region, Shodnja, Gornaja street, 24A	(495) 933-5400, 574-9393	www.lmk.angars.ru	angar@lmk.ru
26	OOO PromStalKonstrukcija	141400, Russia, Moscow region, Himki, Moskovskaja street, 21	(495) 995-35-12, 995-49-88	www.lvmk.ru	info@psk-build.ru
27	Novosibirskij zavod metallokonstrukcij	630071, Russia, Novosibirsk, Stancionnaja, 60	(383) 341-37-33, 341-31-22	www.nzmk.ru	fedorov@nzmk.ru
28	OAO Vostochno-Sibirskij zavod metallokonstrukcij	662200, Krasnojarsk territory, Nazarovo, Promyshlennyj uzel micro-district, 8	(39155) 3-11-57, 7-03-45	www.vszmk.ru	zmk2004@mail.ru
29	Shadrinskij zavod metallicheskih konstrukcij	641875, Russia, Kurgan region, Shadrinsk, Gercen street, 30	(35253) 3-76-28, 3-76-30	www.zok-ural.ru	zok@zok-ural.ru sh-zmk@mail.ru
30	Stalnye I Aljuminievye konstrukcii	391000, Russia, Rjazan, Rjazhskoe shosse, 14	(4912) 21-01-69, 44-03-33	www.sak.ru	market@sak.ru
31	KVANT	171505, Russia, Tver region, Kimry, Savelovskaja naberezhnaja, 14B	(48236) 4-53-13, (495) 971-67-30	www.kvant-lmk.ru	kvant-kimry@mail.ru
32	Zavod Stalnaja linija	117321, Russia, Moscow, Profsojuznaja street, 142/1	(495) 424-03-01, 601-99-61	http://www.steeline.ru/ www.zavodmk.ru	info@zavodmk.ru info@steeline.ru
33	Ivanovskij Zavod Metallokonstrukcij	155900, Russia, Ivanovo region, Shujskij district, Ostapovo village	(49351) 3-11-33, 3-03-80	www.izmk.ru	zavod@izmk.ru
34	OOO Energostalkonstrukcija	610014, Russia, Kirov region, Kirov, Shorsa street, 66/4	(8332) 50-33-66	www.kirov-zmk.ru	kirov-zmk@mail.ru
35	IZOBUD	115114, Russia, Moscow, Derbenskaja street, 20/1	(495)921-30-38, 544-43-15/13	www.isobud.com	secr@isobud.ru
36	OOO ZMK Tehlajn	Russia, Moscow, Frunzenskaja naberezhnaja, 30	(495) 727-70-54	www.techline-online.ru	contact@techline-online.ru tlm2010@mail.ru

37	Stal Company	Russia, Moscow, Krasnopresnenskaja naberezhnaja, 18	(499) 166-15-70, (495) 729-43-04	www.rumetal.ru	rumetal@rambler.ru 7294304@rambler.ru
38	OOO SPECKARKAS	195248, Russia, St. Petersburg, Partizanskaja street, 27 (office 424)	(812) 331-71-34, (812) 331-92-47	www.shopkarkas.ru	tokarev.d@shopkarkas.ru
39	OOO Prioritet	Russia, Moscow, Prospekt Mira street, 125	(495) 749-51-36, (495) 969-36-71	www.prioritetm.ru	prioritet_hk@mail.ru
40	TehnoPromGrupp	147000, Russia, Moscow, Perovskoe shosse, 21	(495) 785 68 59, (499) 170 54 29	www.metalloff.ru	metalloff@list.ru
41	Aprelevskij Eksperimentalnyj zavod	Russia, Moscow region, Aprelevka, Aprelavskaja street, 65	(495) 504-15-71	www.heavy-metal.ru	nata57071@rambler.ru
42	Stalnye I Monolitnye Konstrukcii - A (SiMK-A)	129344, Russia, Moscow, Iskry street, 17A/3	(495) 662-41-85, (495) 662-41-86	www.simk-a.ru	info@simk-a.ru; pto@simk-a.ru
43	ZMK Dimar	Russia, Moscow, Tihaja street, 4	(499)176-90-21	www.dimar.ru	info@dimar.ru
44	Promsnabresurs	144000, Russia, Moscow region, Elektrostal, Karla Marksa street, 1A	(495) 972-51-17, (496) 579-20-56	www.promsnabr.ru	promsnabr@mail.ru
45	Zavod Lissant	195279, Russia, St. Petersburg, Shosse Revoljucii, 102; Industrialnyj proezd, 63	(812) 380-14-90, 676-30-10, (812) 676-30-14	www.lissant.ru	info@lissant.ru
46	OOO Zelenaja Kaska	129594, Russia, Mocsow, Sushevskij Val street, 75/1	(495) 231 26 22, (495) 737-4631	www.greenkaska.ru	info@greenkaska.ru, LMK@greenkaska.ru
47	OOO METALLRESURS	160012, Russia, Vologda, Elevatornaja street, 37A	(8172) 216-444, 76-00-87;	www.mresurs.ru	mresurs@inarnet.ru
48	OOO SVS-Tehnika	393255, Russia, Tambov region, Rasskazovo, Industrialnaja street, 2	(47531) 23-7-99	www.svs-t.ru	info@svs-t.ru
49	SibTent	423807, Russia, Republic of Tatarstan, Naberezhnye Chelny, Gidrostroitelej street, 10	(8552)703-199, 774-117	www.sibtent.ru	sibtent-zakaz@mail.ru
50	OOO Novinskij zavod metallokonstrukcij	111621, Russia, Moscow, Orenburgskaja street, 15 (office 431)	(495) 700-09-70, 700-08-02, 797-55-72	www.nvzmk.ru	nvzmk@mail.ru wimk@mail.ru
51	Volzhskij zavod MK	404130, Russia, Volgograd region, Volzhskij, Portovaja street, 3	(8443) 41-17-71, 41-25-91	www.metalcon.ru	vzmk@mail.ru
52	Korablinskij zavod modulnyh konstrukcij Zental	Russia, Rjazan region, Koroblino, Zavodskaja street, 15	(495) 324-31-60, 740-51-48	www.zental.ru	info@zental.ru

Appendix 5. Offers' details (sorted by the sending date)

№	Company name	Research results						
		1 column	2 truss	4 panel	5 steel structure erection	6 wall panel erection	8 production capacity	9 garage 18x42x6
		Rubles/ton	Rubles/ton	Rubles/sq. meter	Rubles/ton	Rubles/sq. meter	tons/month	Rubles
1	OOO Ruukki Rus	53,100	64,750	1,123	no such service	no such service	3,500	4,330,500
2	Energomash Group	58,500	58,500	1,250	12,450	588	5,000	no information
3	ZAO Cheljabinskij zavod metallokonstrukcij	57,100	57,100	no such service	no such service	no such service	8,000	no such service
4	OOO Nizhnetagilskij ZMK	51,260	46,700	1,300	17,640	650	3,500	3,071,100
5	Kulebakskij zavod metallicheskih konstrukcij (Sojuzlegkonstrukcija)	58,000	53,000	1,300	12,000	450	2,000	4,159,600
6	OAO Novokuzneckij zavod rezervuarnyh metallokonstrukcij	55,100	57,000	1,449	no such service	no such service	1,200	no information
7	ZAO Uraltrubprom	49,000	45,000	920	no such service	no such service	2,000	5 306 534
8	OOO Kuzneckie metallokonstrukcii	51,216	54,887	1,280	13,000	500	3,000	no information
9	ZAO Zavod modulnyh konstrukcij Magnum	57,480	63,650	2,120	no information	no information	1,500	6 639 000
10	OAO Juzhnouralskij zavod metallokonstrukcij	46,700	51,300	1,000	no such service	no such service	1,000	no information
11	OAO Kireevskij zavod legkih metallokonstrukcij	47,300	47,300	930	11,500	400	2,000	3,812,000
12	OAO 149 Mehanicheskij zavod	61,000	61,000	no such service	no such service	no such service	no information	2,650,000
13	OOO Astron Buildings LLC	denied	denied	denied	denied	denied	denied	denied
14	Stalkonstrukcija	54,584	53,595	no information	12,000	360	1,000	1,578,352
15	OAO OZMK	57,472	57,472	1,226	no such service	no such service	2,500	no information
16	ZAO Samarskij zavod Elektrowit	45,000	53,000	890	17,000	650	2,000	6,000,000
17	ZAO Vyksunskij zavod legkih metallokonstrukcij	denied	denied	denied	denied	denied	denied	denied
18	Molodechnenckij zavod metallokonstrukcij	44,639	44,297	991	no such service	no such service	3,000	no such service
19	INSI Group	denied	denied	denied	denied	denied	denied	denied

20	Specatomkontakt	50,715	50,715	980	16,000	400	200	3,918,612
21	OOO Mendeleevskij zavod metallicheskih konstrukcij	45,939	45,939	no such service	7,500	300	300	3,780,000
22	Sojuzlegkonstrukcija	denied	denied	denied	denied	denied	denied	denied
23	OOO Steel Trade	denied	denied	denied	denied	denied	denied	denied
24	Ramenskij zavod metallokonstrukcij	43,072	50,550	1,100	9,000	390	1,200	3,711,418
25	Shodninskij zavod metallokonstrukcij (Strojpromet)	55,883	47,949	no information	10,000	no information	650	no information
26	OOO PromStalKonstrukcija	denied	denied	denied	denied	denied	denied	denied
27	Novosibirskij zavod metallokonstrukcij	denied	denied	denied	denied	denied	denied	denied
28	OAO Vostochno-Sibirskij zavod metallokonstrukcij	58,000	58,000	no such service	no such service	no such service	3,000	no such service
29	Shadrinskij zavod metallicheskih konstrukcij (Sojuzlegkonstrukcija)	see position 5	see position 5	see position 5	see position 5	see position 5	see position 5	see position 5
30	Stalnye i aljuminievye konstrukcii	denied	denied	denied	denied	denied	denied	denied
31	KVANT	47,000	47,100	1,116	11,000	350	1,000	4,877,986
32	Zavod Stalnaja linija	58,210	57,417	1,447	13,200	504	300	5,099,549
33	Ivanovskij zavod metallokonstrukcij	44,000	41,000	1,100	12,000	300	300	1,592,000
34	OOO Energostalkonstrukcija	53,000	60,000	1,013	15,000	650	200	4,662,600
35	IZOBUD	45,000	52,000	910	no such service	no such service	500	no information
36	OOO ZMK Tehlajn	53,000	55,000	1,550	13,000	400	400	4,565,023
37	Stal company	denied	denied	denied	denied	denied	denied	denied
38	OOO SPECKARKAS	denied	denied	denied	denied	denied	denied	denied
39	OOO Prioritet	denied	denied	denied	denied	denied	denied	denied

40	TehnoPromGrupp	denied	denied	denied	denied	denied	denied	denied
41	Aprelevskij eksperementalnyj zavod	47,500	47,500	1,050	12,500	400	500	3,865,668
42	Stalnye i Monolitnye Konstrukcii – A (SiMK–A)	53,200	51,600	1,690	16,600	440	420	no information
43	ZMK Dimar	54,000	52,000	990	16,000	320	250	4,050,000
44	Promsnabresurs	denied	denied	denied	denied	denied	denied	denied
45	Zavod Lissant	denied	denied	denied	denied	denied	denied	denied
46	OOO Zelenaja Kaska	48,500	49,500	1,250	14,000	650	850	3,607,910
47	OOO Metallresurs	51,220	46,610	1,500	13,000	600	500	3,696,281
48	OOO SVS-Tehnika	48,000	48,000	no such service	21,000	no such service	600	1,370,000
49	SibTent	denied	denied	denied	denied	denied	denied	denied
50	OOO Novinskij zavod metallokonstrukcij	48,000	52,000	1,100	13,000	500	350	4,161,930
51	Volzhskij zavod MK	52,250	52,250	no such service	16,000	no information	1,500	no information
52	Korablinksij zavod modulnyh konstrukcij Zental	43,000	45,000	1,000	15,000	450	500	4,591,100

Appendix 6. Offers' details (sorted by the lowest price first)

№	Company name	Research results							
		1	2	4	5	6	8	9
		column	truss	panel	steel structure erection	wall panel erection	production capacity	garage 18x42x6
		Rubles/ton	Rubles/ton	Rubles/sq. meter	Rubles/ton	Rubles/sq. meter	tons/month	Rubles
1	Korablinskij zavod modulnyh konstrukcij Zental	36,441	38,136	847	12,712	381	500	3,890,763
2	Ramenskij zavod metallokonstrukcij	36,502	42,839	932	7,627	331	1,200	3,145,269
3	Ivanovskij zavod metallokonstrukcij	37,288	34,746	932	10,169	254	300	1,349,153
4	Molodechnenskij zavod metallokonstrukcij	37,830	37,540	840	no such service	no such service	3,000	no such service
5	IZOBUD	38,136	44,068	771	no such service	no such service	500	no information
6	ZAO Samarskij zavod Elektowit	38,136	44,915	754	14,407	551	2,000	5,084,746
7	OOO Mendeleevskij Zavod Metallicheskih Konstrukcij	38,931	38,931	no such service	6,356	254	300	3,203,390
8	OAO Juzhnouralskij zavod metallokonstrukcij	39,576	43,475	847	no such service	no such service	1,000	no information
9	KVANT	39,831	39,915	946	9,322	297	1,000	4,133,886
10	OAO Kireevskij zavod legkih metallokonstrukcij	40,085	40,085	788	9,746	339	2,000	3,230,508
11	Aprelevskij eksperimentalnyj zavod	40,254	40,254	890	10,593	339	500	3,275,990
12	OOO SVS-Tehnika	40,678	40,678	no such service	17,797	no such service	600	1,161,017
13	OOO Novinskij Zavod Metallokonstrukcij	40,678	44,068	932	11,017	424	350	3,527,059
14	OOO Zelenaja Kaska	41,102	41,949	1,059	11,864	551	850	3,057,551
15	ZAO Uraltrubprom	41,525	38,136	780	no such service	no such service	2,000	4,497,063
16	Specatomkontakt	42,979	42,979	831	13,559	339	200	3,320,858
17	OOO Kuzneckie metallokonstrukcii	43,403	46,514	1,085	11,017	424	3,000	no information

18	OOO Metallresurs	43,407	39,500	1,271	11,017	508	500	3,132,442
19	OOO Nizhetagilskij ZMK	43,441	39,576	1,102	14,949	551	3,500	2,602,627
20	Volzhskij zavod metallokonstrukcij (Roskonstrukcija)	44,280	44,280	no such service	13,559	no information	1,500	no information
21	OOO ZMK Tehlajn	44,915	46,610	1,314	11,017	339	400	3,868,664
22	OOO Energostalkonstrukcija	44,915	50,847	858	12,712	551	200	3,951,356
23	**OOO Ruukki Rus**	**45,000**	**54,873**	**952**	**no such service**	**no such service**	**2,966**	**3,669,915**
24	Stalnye i Monolitnye Konstrukcii - A (SiMK-A)	45,085	43,729	1,432	14,068	373	420	no information
25	ZMK Dimar	45,763	44,068	839	13,559	271	250	3,432,203
26	Stalkonstrukcija	46,258	45,419	no information	10,169	305	1,000	1,337,586
27	OAO Novokuzneckij zavod rezervuarnyh metallokonstrukcij	46,695	48,305	1,228	no such service	no such service	1,200	no information
28	Shodninskij zavod metallokonstrukcij (Strojpromet)	47,358	40,635	no information	8,475	no information	650	no information
29	ZAO Cheljabinskij zavod metallokonstrukcij	48,390	48,390	no such service	no such service	no such service	4,000	no information
30	OAO OZMK	48,705	48,705	1,039	no such service	no such service	2,500	no information
31	ZAO Zavod modulnyh konstrukcij Magnum	48,712	53,941	1,797	no information	no information	2,000	5,626,271
32	Kulebakskij zavod metallicheskih konstrukcij (Sojuzlegkonstrukcija)	49,153	44,915	1,102	10,169	381	2,000	3,525,085
33	OAO Vostochno-Sibirskij zavod metallokonstrukcij	49,153	49,153	no such service	no such service	no such service	3,000	no such service
34	Zavod Stalnaja Linija	49,331	48,658	1,226	11,186	427	300	4,321,652
35	Energomash Group	49,576	49,576	1,059	10,551	498	5,000	no information
36	OAO 149 Mehanicheskij zavod	51,695	51,695	no such service	no such service	no such service	no information	2,245,763

Appendix 7. Key financial figures of Ruukki Rus based on the interview with Sergej Chernyshev

Key financial figures and economical characteristics were collected during the interview with Sergej Chernyshev in order to complete the calculations of Break-Even Point and profitability level.

1. Profits

2009: 85 000 000 (Euros per year) whole production = 297 500 000 (Rubles per month)

42 500 000 (Euros per year) steel structures = 148 750 000 (Rubles per month)

2010 (estimation): 120 000 000 (Euros per year)

60 000 000 (Euros per year)

Note 1: fixed exchange rate applies to all calculations for the year 2009 - 42 Rubles per 1 Euro; for the year 2010 - 40 Rubles per 1 Euro.

Note 2: the figures given by Chernyshev are the ones that in italic. The figures that are calculated by the researcher are in regular style. This applies to the whole interview.

Note 3: steel production takes the half of the whole production figure (applies to all calculations)

2. Production volume

2009: 3 070 (tons per month) in average

2010 (estimation): 3 000 - 4 000 (tons per month)

3. Fixed costs for whole production

2009: 2 500 000 (Euros per year) = 105 000 000 (Rubles per month)

2010 (estimation): 1 700 000 (Euros per year) = 68 000 000 (Rubles per month)

4. Variable costs for steel structures

2009: 38 800 (Rubles per ton)

2010 (estimation): 34 560 - 34 670 (Rubles per ton)

- Note: in this research, the figure 34 615 (Rubles per ton) was treated as an average variable cost for steel structure for the year 2010

5. Price for steel structure (without VAT 18%)

2009: 48 500 (Rubles per ton) in average during the year

Note: the price for steel structure = variable costs + 25% mark-up = 38 800 Rubles per ton + 9 700 Rubles per ton = 48 500

2010: the information is not provided as the research target is to find it out.